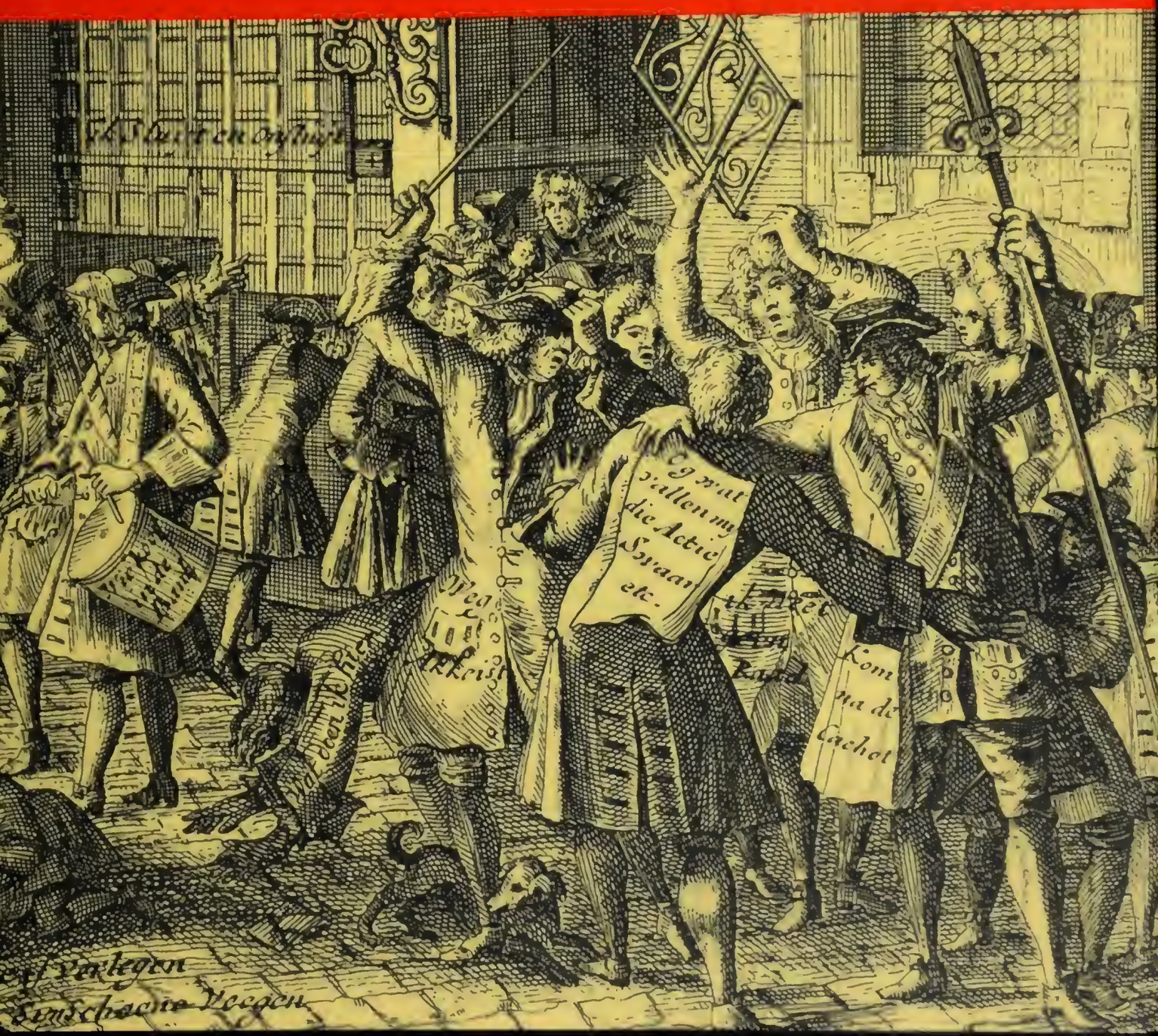
# The Medals Concerning John Law and the Mississippi System

*John W. Adams*

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THE AMERICAN NUMISMATIC SOCIETY

JOHN LAW was a larger-than-life figure: a dissolute young rake, then in turn a professional gambler, a brilliant economic theorist, and finally a leading political figure. Law's economic theories linked credit and money and thus provided a theoretical basis for paper money and government management of the money supply; the virtual bankruptcy of the French monarchy in 1716 gave him an opportunity to put his theories into practice. In a series of bold measures, he reformed the French government's finances, created a national bank and a trading company to manage them jointly, and issued large stock offerings to capitalize the company. As the shares of his Mississippi Company became eagerly sought after, the share value became entirely disproportionate to the Company's actual revenues. The share price soon collapsed, bringing down the Mississippi Company and the Banque Royale along with it.

The rise and fall of Law's financial system affected a great many investors and was widely commented on throughout Europe. Among the many forms of commentary that were produced are a number of medals, mostly satirical and many of them made by the German medallist Christian Wermuth. These medals were studied by several authors of the late nineteenth and early twentieth centuries but have been relatively neglected since. This book catalogues the diverse medals that commented on Law's financial system, assembling the much greater amount of information now available about the series, along with a supplementary catalogue of types that were suggested by earlier researchers to have referred to Law but are no longer considered to do so.

NUMISMATIC NOTES AND MONOGRAPHS

167

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John W. Adams

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# Introduction

It has been almost a century since the flowering of interest in the medals of John Law. In the twenty-six years between 1885 and 1911, no less than four publications treated the subject in depth. The high quality of the work during that period had much to do with the relative silence in the interim. By 1911, much of what could then be said had been said.

Much new information has since come to light: additional varieties of John Law medals have been discovered, previously published varieties have proved to be questionable, and collectors have assembled enough examples of all varieties to permit a more disciplined metrology of the series than heretofore possible.

Perceptions of John Law himself have likewise been evolving. Originally branded a scoundrel—hence the satirical nature of most of the medals in the series—the reputation of Law has undergone a gradual transformation. Unquestionably the implosion of the Mississippi Bubble caused great financial loss and hardship. With the pain of such losses centuries behind us, however, it is easier to see that the Mississippi System contained much of value.

The following brief biography attempts to explain the transformation in the man's reputation. The study of historical medals enables us to compare how an appreciation of events when they occurred differs from how these events are viewed given the perspective provided by time. In the case of John Law, the difference between contemporary and present-day views is dramatic.

M^re JEAN LAW CON^er DU ROY EN TOUS CES CON^ils CONTROLEUR
GNAL DES FINANCES en 1720.

# – 1 –

## John Law, Larger than Life

At various points in his life, John Law was a dissolute rake, an athlete of note, an accomplished gambler, a brilliant economic theorist, a politician of the first rank, and a corporate executive. John Law was, as the saying goes, "larger than life".

Born in Edinburgh, Scotland, in April 1671, Law received a solid education. At age nineteen he was drawn to the social scene in London where, tall, dark, handsome, and possessed of natural charm, he indulged in most of the vices of the upper class. Regrettably, he killed a fellow rake in a duel in April 1694, for which he was sentenced to be hanged. With the aid of highly placed friends he escaped from prison the following year and fled to the Continent.

Judged by his early years, John Law was destined to be an abject failure. He had squandered his inheritance on high living; his taking of another's life had forced him to flee from England. Although relatively little is known of his activities in the years immediately following these events, it is clear that his perspective underwent major change. His transition from a dilettante to a man of purpose was as total as it is today unexplained. Perhaps his emotional and intellectual maturation was a matter of necessity, perhaps he encountered an inspirational mentor, or perhaps his inherent genius simply took hold.

In the five years following his escape, Law studied banking in Holland and Italy. Even as he pursued his studies, Law developed an unusual means of support: gambling. His mathematical aptitude, which must have been extreme, permitted him to calculate the odds in various games of chance with greater accuracy and/or rapidity than those against whom he played. His gambling enabled him both to support a high standard of living and to amass a considerable fortune. It is ironic that one of the vices of his youth should become, pragmatically speaking, a virtue in his early maturity. There can be no retrospective measures of such qualities, but Law's success at gambling defines him as a man of unusual daring, discipline, and self-confidence. Moreover, in the early modern period it was one of the few careers

in which someone with unusual mathematical aptitude could make a good living. John Law was one of the earliest financiers to apply mathematical studies to the analysis of financial markets; on Wall Street today, he would be called a "quant". These traits were all necessary as Law evolved from the roles of odds-maker and theorist to a more ambitious career as financial adviser to governments.

## LAW THE THEORETICIAN

Returning to his native land in 1700 (Scotland was still under separate rule), Law published his first opus, "Proposals and Reasons for Constituting a Council of Trade" (Law 1700). The local gentry had lost a comparatively large investment in the unsuccessful Darien expedition earlier that year and the Scottish economy languished in the doldrums as a result. Not unlike the Mississippi Company seventeen years later, Law proposed to concentrate all of the conventional revenues of the kingdom in a single entity, then to add sundry new taxes, and finally to use the "surplus" to promote local commerce and manufacture. Scotland suffered from the lack of a viable financial institution capable of supplying liquidity to the economy, a role that the proposed Council was intended to play (undercapitalized, the Bank of Scotland had been crippled by the relatively large outflow of funds entailed by the Darien venture).

In 1704, Law wrote his *Essay on a Land Bank*, the foundation for a proposal to the English government to establish a bank whose notes were issued against land as opposed to metallic money (Law 1994). Land, Law argued, held a more stable long-term value than did silver, the price of which varied with the volume of bullion arriving from the New World as well as with the machinations of monarchs.

In 1705, Law published his magnum opus, *Money and Trade* (Law 1705). As with his Essay, the author proposed a bank capitalized with land as a superior store of value. However, this bank was also intended to stimulate the moribund Scottish economy. Perhaps the first monetary theorist with a well-developed sense of the equation of exchange, John Law argued that the level of trade was proportionate to the money supply and that, by expanding the latter, one could stimulate the former, at least until full employment was reached. The proposal, debated extensively by the Scottish Parliament in the summer of 1705, failed of passage by only a small margin. Law did not win his point—Scotland was soon absorbed by England anyway—but he had succeeded in articulating advanced economic concepts in terse but highly intelligible prose. In the words of Antoin Murphy, "*Money and Trade* is a majestic work towering over the contemporary writings of the early eighteenth century" (Murphy 1997: 77).

Law was not done with advising governments. He developed a friendship with Victor Amadeus II, Duke of Savoy, a friendship that led to a proposed Bank of Turin modeled after the Bank of England established in 1694. The duke advised

Law that he needed a larger stage for so grand a concept, advice that next led the Scotsman to the court of Louis XIV.

On the face of the matter, it would seem unlikely that a Scottish Protestant—and a professional gambler at that—would have any hope of introducing new ideas to the most Catholic court of the Sun King. The challenge took Law three years to surmount, but by August 1715, he was on the verge of gaining approval to form France's first commercial bank, its purpose to include not only the creation of credit but also the management of the kingdom's astronomical debt. Unfortunately, Louis XIV died before plans to move ahead could be finalized.

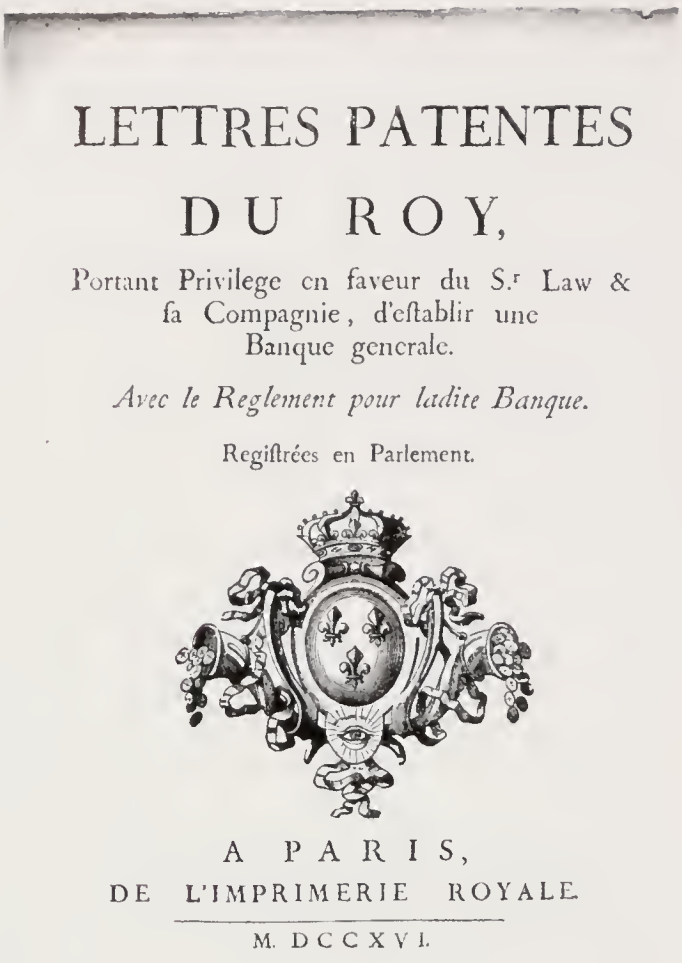
Louis XIV was succeeded by his five-year-old great-grandson, Louis XV, in August 1715. Law wasted no time in addressing Philip, Duke of Orléans, the young king's regent. Orléans, with whom Law was to have an intense, sometimes stormy relationship, was a sybaritic aristocrat who happened to be a skillful politician (when he put his mind to it) and an insightful judge of matters economic. He embraced Law's proposal for a royal bank, which was to have the dual function of stimulating credit and, given the large proportion of the royal income that was required to service the royal debt, of managing the liabilities side of the national balance sheet as well. However, the Regent's Council rejected Law's plan. It was his sixth such rejection but, never one to dwell on defeat, Law returned within six months with a new scheme to create a private bank with more limited functions. With the formation of the Banque Générale on 2 May 1716, John Law the theorist became John Law the business executive.

From 1700 to 1715, Law's economic theories had evolved from a relatively simple land bank to more versatile plans to move beyond the limitations of metal-based monetary systems to an all-encompassing monetary and fiscal model. This vibrant, pleasure-loving man not only created brilliant theories but also was endowed with the energy to be the indefatigable salesman of his ideas.

## Law the Practitioner

With the charter for Banque Générale, Law had won his way from theory into the real world. It is worth pondering what that real world was like. Between twenty-six years of war and an addiction to personal extravagance, Louis XIV had run up debts in excess of two billion livres, a sum roughly equal to and, by some estimates substantially greater than, the country's gross national product (Murphy 1997: 128–130). By 1715, the interest burden alone was greater than France's tax revenues, the monarchy's debt sold at discounts ranging from 50 to 75 percent, and a large operating deficit grew beyond control.

France was bankrupt in all but the technical sense. Indeed, after the death of Louis XIV, the expedient of bankruptcy was seriously considered (Murphy 1997: 135). Instead, two nearly equivalent measures were put into place. The Visa,



LETTRES PATENTES

DU ROY,

Portant Privilege en faveur du S.r Law &
ſa Compagnie, d'eſtablir une
Banque generale.

*Avec le Reglement pour ladite Banque.*

Regiſtrées en Parlement.

A PARIS,
DE L'IMPRIMERIE ROYALE.

M. DCCXVI.

FIGURE 1. Title page of decree authorizing the Banque Générale.

adopted 7 December 1715, and the Chamber of Justice, instituted on 14 March of the following year, were measures to compromise royal debts that were deemed to have been ill gotten by the holder. The execution of these measures was arbitrary and open to corruption. Sentiment among those owning financial instruments ranged from demoralization to terror, as four hundred million livres of their holdings were disallowed. The Visa and the Chamber of Justice effectively caused the traditionally powerful financiers and rentiers to maintain a low profile, thus creating a vacuum into which Law now entered.

The perspective of the monarch of France was that he owned everything in the kingdom, and thus any level of taxation could be justified. Virtually every product, every service, and every asset was taxed, a burden from which the nobility and the Church were largely spared. Taxation, tithes, and feudal dues took four fifths of the farmer's income (Gooch 1956: 86). Salt, which might have sold for three or four

livres per unit in a free market, sold for sixty livres after a Byzantine array of taxes that required, by one estimate, 24,000 regular agents to collect, of whom 21,200 were employed to guard against smuggling (Matthews 1958: 110).

It was into this unpromising environment that the Banque Générale was introduced (Figure 1). Established on 2 May 1716, the bank had no lending powers, but it could take deposits, issue bank notes, discount bills and letters of exchange, and facilitate transactions in foreign exchange. Received with a skepticism befitting the depressed mood of the financial community, Law's operation got off to a slow start. However, he took the shrewd step of denominating his banknotes in specie-equivalent écus (Murphy 1997: 154)—i.e., the notes would be redeemed at the weight of the silver contained in the coinage at the time of issue, a feature that protected the note holder against debasement (Figure 2). This anti-debasement feature, coupled with growing royal patronage and the pre-existing vacuum in financial services, combined to create an enterprise that grew in public stature even as it generated healthy profits for its shareholders.

9

Modelles des Billets de la Banque.

N.° *Mille Ecus d'Eſpeces.*

*La Banque promet payer au-Porteur à veüe Mille Ecus d'Eſpeces du poids & titre de ce jour, valeur reçeüe à Paris le de 171*

N.° *Cent Ecus d'Eſpeces.*

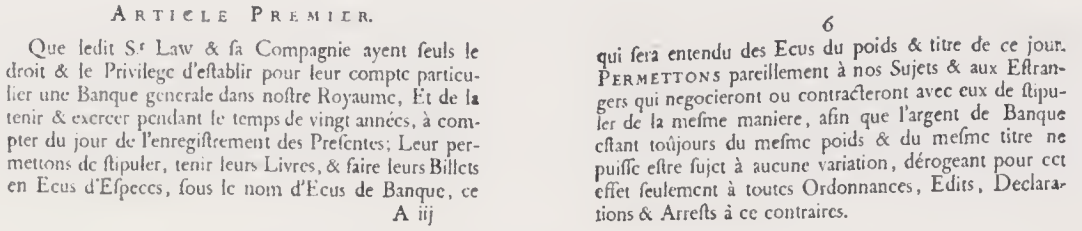
*La Banque promet payer au Porteur à veüe Cent Ecus d'Eſpeces du poids & titre de ce jour, valeur reçeüe à Paris le de 171*

N.° *Dix Ecus d'Eſpeces.*

*La Banque promet payer au porteur à veüe Dix Ecus d'Eſpeces du poids & titre de ce jour, valeur reçeüe à Paris le de 171*

MODELLE DU SCEAU;
dont l'Empreinte ſera appoſée ſur chaque Billet de la Banque.

FIGURE 2. Specifications for banknotes of the Banque Générale.



ARTICLE PREMIER.

Que ledit Sr Law & ſa Compagnie ayent ſeuls le droit & le Privilege d'eſtablir pour leur compte particulier une Banque generale dans noſtre Royaume, Et de la tenir & exercer pendant le temps de vingt années, à compter du jour de l'enregiſtrement des Preſentes; Leur permettons de ſtipuler, tenir leurs Livres, & faire leurs Billets en Ecus d'Eſpeces, ſous le nom d'Ecus de Banque, ce

A iij

6

qui ſera entendu des Ecus du poids & titre de ce jour. PERMETTONS pareillement à nos Sujets & aux Eſtrangers qui negocieront ou contracteront avec eux de ſtipuler de la meſme maniere, afin que l'argent de Banque eſtant toûjours du meſme poids & du meſme titre ne puiſſe eſtre ſujet à aucune variation, dérogeant pour cet effet ſeulement à toutes Ordonnances, Edits, Declarations & Arreſts à ce contraires.

FIGURE 3. First article of the Banque Générale's charter, authorizing the use of its notes as legal tender.

A portion of the bank's capital was subscribed by *billets d'état*[1] taken at face value, even though these instruments were selling a fraction of par value. In a small way Law had begun to address the need to manage the kingdom's debt by converting some of that debt into a more useful form. Although the institution did not possess express lending powers, one can infer from the large profits reported that the bank became an active lender (Murphy 1997: 161). In this way a second tenet of Law's economic theories, the augmentation of the money supply by using credit, was put into practice.

The crowning achievement of Banque Générale was the acceptance of its banknotes. By an edict of 10 April 1717, its notes became legal tender for the payment of taxes. Later, banknotes would become the mandatory means of payment, fulfilling Law's dream of achieving freedom from the limitations of a specie-based financial system. Thus, France's first private bank became a triumph of economic theory put into practice, even as its operating success did much to lift the spirits of the financial community.

By September of 1717, the Bank had issued seventy-eight million livres of notes (Murphy 1997: 159), a small sum set against a GNP of two billion livres. However, it had become the major royal depository and it handled a majority of the kingdom's tax receipts. Clearly, John Law had the Regent's active support. As would soon become clear, both men shared a much broader vision. The bank served to increase the nation's money supply, but it was a minor factor in handling the huge overhanging debt. The *Lettres Patentes* creating the Banque Générale contain the exact wording of this all-important provision, which can be seen in Figure 3. Law's next creation was the Company of the West. Established in August 1717 to develop trade in the Louisiana territories, the Company raised capital by accepting *billets d'état,* a form of floating debt, in payment for its shares. The *billets,* of which there were 250 million livres outstanding, were then selling at a 70% discount to par. The proposed 100 million livres offering of Company stock would remove fully 40% of the *billets* at the same time, to the extent that the stock sold at or above issue price, serving to uplift the price of the remaining *billets* outstanding.

1. The *billets d'etat* were first issued in 1715. Under the Visa, some 597 million in old rents and debts were converted into 198 million of billets, thus erasing almost 400 million of the kingdom's obligations.

From the beginning the prognosis for both the Company and the kingdom were closely linked.

The Company's first year of operation was largely consumed in raising capital. The public offering of 100 million livres was not fully subscribed until December of the following year, and even then not all the capital—i.e., *billets d'état*—had actually been paid in. For removing the *billets* from circulation, the Company of the West was given by the Crown an annual income of four million livres. This payment, combined with monopoly trading rights in tobacco as well as an exclusive twenty-five-year right to develop the Mississippi territories, constituted a fairly unexciting enterprise in which Law and the Regent were larger investors by far than the general public. However, the pace was soon to accelerate.

In December 1718, the Banque Générale was converted into the Banque Royale. The latter was given a nearly unfettered ability to issue banknotes; the notes or gold became mandatory payment for all transactions greater than 600 livres and the provision that gave the paper specie equivalency was eliminated. Shareholders of the old bank were paid off in specie, with the King owning 100% of the shares of the new bank. A large holding of *billets d'état* in the new bank's treasury was converted into shares of the trading company, thus establishing a close linkage between the two entities from the outset.

In May and June of 1719, Law merged the Compagnie des Indes, the Compagnie de la Chine, and the Compagnie d'Afrique into his Compagnie d'Occident. The old Occident then changed its name into the Compagnie des Indes. The company had obtained a global profile, but at 450 livres, its stock languished below the issue price of 500. Law's solution was to offer 25 million livres in new shares at 550—i.e., a premium over market, with his own personal guarantee of full subscription. That bold act stimulated the old shares, which by June had risen from 450 to 650 livres. The chain reaction had begun.

Stock companies, although well established in England and the Netherlands, were a novelty in France. Between 1717 and 1719, there had only been three issues—the Company of the West, the United Farms (a lease to collect taxes), and a smallish canal project. The latter two sold down to deep discounts whereas Law's venture struggled back above issue price only when he made his bold commitment to take up new shares at a 10% premium. When the old shares rose to 650, Law, in a masterstroke, ceded his rights to the new issue (*les filles,* or "the daughters") at 550 to holders of old shares (*les mères,* or the mothers). Because *les mères* now had subscription rights at a 100-livre discount to market and, further, because *les filles* required only a 10% down payment (Murphy 1997: 68), interest in the new issue mounted rapidly. By mid-July, the stock had risen to 1000 livres, double the level of May but, as events were to prove, only the beginning.

In the same month, the Company acquired the profits of the Mint for nine years, worth an estimated 6 to 12 million livres annually (Murphy 1997: 191), for a price of 50 million livres. To fund this purchase, Law floated a further issue of

50,000 shares at a price of 1,000 (*les petites filles*, or "the granddaughters"), with rights to purchase these shares accorded to holders of *les mères* and *les filles*. By mid-September, persons of all ranks had succumbed to speculative fever and the stock was at 5000.

The accomplishments of 1717 to mid-1719 were by any standard, contemporary or modern, extraordinarily rapid: the regional trading companies had been consolidated into one, the rights to the tobacco monopoly had been acquired as had the rights to the Mint, four large and successful issues of equity had been brought to market and, finally, a state bank that could print the liquidity required by myriad stock transactions was firmly in place.

It seemed like an appropriate time to pause. However, although the kingdom's monetary functions were now in good working order, Law recognized that the massive state debt still loomed as a threat to economic stability. In the boldest move among many such, he proposed in August that the Company lend the Crown 1.2 billion livres at a modest 3% rate of interest, the proceeds of which would be used to retire debt and to repurchase offices. In return, the Company was granted a forty-year extension of its trading privileges in Louisiana and a nine-year lease on the tax farms.[2]

The enormity of Law's scheme is difficult to appreciate. The magnitude of the very large numbers is obvious, but the iconoclasm involved is not. Traditionally, the tax farms had been leased to a group of powerful financiers who made immense profits by guaranteeing the Crown a fixed amount of tax revenue and pocketing the overage. These financiers, who had also made large loans to the King, had many friends in high places and, indeed, were in high places themselves. Not content to displace this group only, Law would also have eliminated the jobs of all those officeholders whose offices were repurchased. Taken together the proposals represented a frontal assault on the establishment.

John Law had now made a large number of enemies. To preserve his position he had to undertake more ventures. It is not clear how he intended to handle the Crown's debt, whether to re-issue it in a different form at a lower coupon or whether to convert it into equity.[3] But he did take advantage of a soaring market to do three equity offerings in the space of three weeks, from 13 September to 4 October. Combined, these offerings raised an astonishing 1.5 billion livres, expanding the shares outstanding from 300,000 to 600,000 in the process.

With 600,000 shares priced at 5,000 livres, the Company now had a market capitalization of 3 billion livres. In theory, this valuation was buttressed by the

2. Beginning with the Banque Générale, all of Law's equity issues were paid in installments. This feature aided marketability but required enough liquidity in the system to support future payments.

3. In order to raise money in years past, the Crown had sold offices for everything from tax collecting to membership in one of the parliaments (the judicial branch) to sinecures at court). Repurchasing these offices would have reduced annual expenses.

1.5 billion livres just raised, but because the newest shares had been sold in ten monthly installments, the Company did not yet have the cash, and the owners faced a steady stream of capital calls going forward. A bigger threat to equilibrium was that, by financing at 5,000 livres, Law had confirmed that valuation and now needed to earn a return on the 3 billion livres of market capitalization. The "overage" on the 50 million livres lease of the tax farms might supply 10 million or even 20 million livres, but such sums, even when combined with 30 to 40 million livres in profits from tobacco, trading, and the mint, could provide no rational justification for the market price of the shares. Thus, between a seemingly unsustainable share price and the vast amounts that shareholders needed to complete purchases at the 5,000 livres offering price, the Mississippi Company, as the Compagnie des Indes was popularly known, was doomed in theory if not in fact.

The prospect of owning stock had now captivated the public's fancy. As the price rose from 5,000 in August to 10,000 in December, frenzy prevailed in the Rue Quincampoix, where the stock trading took place. Financial instruments, until recently the province of the great financiers alone, were now sought by the nobility, the bourgeoisie, and servants alike. Vast new fortunes were made, with Paris awash in ostentation of all sorts, and John Law's praise was sung everywhere by a large chorus of enriched shareholders.

On 5 January 1720, Law was made Contrôleur-Général of Finances, the equivalent of first minister of the realm. It is ironic that the share price reached its peak of 10,100 within days of that appointment (Murphy 1997: 214). Law could not relax in his new glory because it now was apparent to him that the liquidity in the system—i.e., the value of the shares plus the volume of bank notes that had been issued to facilitate stock transactions—had soared beyond 6 billion livres as against the 3 billion livres that he deemed an appropriate money supply for France at that time (Murphy 1997: 211).

Law was faced with an essentially impossible situation, but being the brilliant financial engineer that he was, he only increased his activity. In the time frame from December 1719 to February 1720, he approved the export of specie and, one month later, reversed course. He limited personal holdings of specie to 600 livres before, on 11 March, demonetizing gold and silver entirely. Thus, he eliminated by fiat the possibility of a run on the bank to convert paper notes into hard currency. However, at the same time, he lessened the people's faith in the paper notes that were the only legal tender that remained.

The specie issue was a sidebar. If the money supply, as measured by bank notes outstanding plus the market value of the Company's shares, was excessive, then one or the other would have to contract. For the first two months of 1720, the bank helped to stabilize the share price, expending 800 million livres to buy back 85,000 shares at an average price of 9,300 (Murphy 1997: 227). However, whereas these maneuvers reduced the value of shares outstanding, they increased bank notes by an equal amount, leaving no net change in the System's overall liquidity. Clearly,

Law had to choose between maintaining the value of notes by shrinking the supply or maintaining the value of the stock by propping it up, issuing more notes in the process.

On 23 February 1720, in what was to be Law's maximum effort to save the System, an edict was published merging the Banque Royale with the Compagnie des Indes, placing new restrictions on the issuance of notes and, finally, closing down the open market operation that had been supporting the shares (Hyde 1948: 128). With the bank's buying power withdrawn, the share price promptly fell into the mid-7,000s. Major shareholders, among whom were the leading members of the Regent's Council of Finance as well as the king himself, expressed consternation at their paper losses.

In theory, Law could have educated his backers on the merits of a free market, confessing that the shares might be overvalued in the short term. Instead, on 5 March 1720, he rescinded the hopeful edict of 23 February and once again pegged the share price at 9000. After being temporarily idle, the printing presses returned to full-scale operation.

Law knew that he could not continue issuing banknotes indefinitely. Running out of alternatives, he elected to maintain the supply of notes and shares but to deflate the value of each in monthly installments. In an edict published on 21 May, it was proposed that a share worth 9,000 in May would fall by 500 livres per month to 5,000 in December; a bank note worth 10,000 livres would decline to 5,000 over the same period of time. Although there was a strong theoretical basis for this package, it was inevitably misunderstood, leading to a crash in the shares (to 4,200 by the end of May), a revocation of the 21 May edict on 28 May, and Law's house arrest (Murphy 1997: 252).

John Law was returned to office on 2 June, with the share price rallying in the week thereafter to 6,300. However, the flaws of the System had been exposed, giving its powerful enemies ample opportunity to counterattack. These enemies now advocated a return to hard currency, an effort in which they were so successful that the role of banknotes was reduced progressively until, on 10 October, the notes lost their status as legal tender. The price of the Company's shares declined in parallel to the fortunes of the banknote, reaching 3,200 in November (Murphy 1997: 208), after which no price records have survived.

## JOHN LAW IN PERSPECTIVE

For those who had invested in John Law, the fall of the system was a disaster. Entire fortunes were lost and mortgaged estates sold into bankruptcy. It did not assuage popular feelings that the source of all this pain was a foreigner, and a Protestant at that.

However, those at the top fared better than those below. Thanks to Law, the king sold one quarter of his holdings in the Company at 9,000 (Murphy 1997:

226), added to which huge amounts of the Crown's debt had been erased as these obligations were converted into Company shares. The Duke of Bourbon and the Duke de la Force, members of the Regent's inner circle, remained friendly to Law (for a while), because large chunks of their holdings were repurchased also.

Having been displaced by the System, the wealthy financiers and rentiers invested in it little if at all, and once the bubble burst, this group resumed control. The reconstituted General Farmers bought the lease for indirect taxes in 1721 for 40 million livres. Whereas this was down from the 52.5 million paid by the Company in 1720, the lease rose in the following years, reaching 80 million livres in 1726 (Matthews 1958: 62). This strong recovery would suggest that the French economy was in much better shape in 1720, bubble notwithstanding, than it was in the dark days of the Visa and the Chamber of Justice in 1716. Rather, it took another sixty-nine years of Bourbon mismanagement before the Ancien Régime was brought down by the Revolution.

A great deal of attention has been paid to Law the financier; almost none has been devoted to Law the reformer. During the autumn of 1719, when the popularity of the Mississippi System was nearing its zenith, Law imposed his influence on every facet of the economy. Amongst the offices repurchased were those collecting taxes on cloth, tallow, hay, coal, and meat, with the result that retail prices on such basics as corn, poultry, eggs, and meat fell by one third (Hyde 1948: 194). Rents on the Hôtel de Ville[4] were reduced from 4% to 3%, with the difference to be applied to tax reduction. A vast array of public works including canals, bridges, and barracks were begun. Law even proposed to combine hundreds of taxes into a single levy on income to include the nobility and the church, both of which had long been exempt from direct impositions (Hyde 1948: 120).

A fair, if hypothetical, question is whether the monarchy would have fared better if the system had remained in place. The question is worth posing because it pits personalities against process. Let us assume that the speculative fever could have been held in check while the availability of credit powered the economy to its full employment potential. This happy combination would have created more tax revenues, permitting debt reduction and lowering of taxes, either one of which would have fostered still more economic growth. A king too young (ten years old in 1720) to have become profligate, added to the quarter century of peace following the Treaty of Utrecht in 1713, created the ideal environment for Law's System to prosper.

Against this halcyon prospect, Law would have faced the increasing envy and enmity of the financiers and rentiers whose livelihood the system replaced. When

4. These rents were another form of royal debt. Investors were more willing to lend to the Hôtel de Ville (i.e., the city of Paris), even though the loan proceeds ended up in the royal treasury.

the Duke of Orléans died in 1723, he was succeeded by Cardinal Fleury, who had no experience in financial matters and who, in his subsequent twenty years of being the de facto first minister, showed little interest in innovation. Although Law retained a few friends in high places, notably the Duke of Bourbon, he would have stood essentially alone against forces of reaction that permeated the entire power structure.

Louis XV showed no interest in ruling himself, creating a vacuum that some powerful personality might have filled, but none ever did. Perhaps John Law could have been that person and perhaps his success would have been sufficient to shield him against the never-ending intrigues at the court that were the equivalent of the national sport. All said, the very nature of an absolute monarch is to change his mind at will. A prosperous economy which gave rise to liberal social trends would have pleased Voltaire, but such dynamics would likely have been anathema to the people who counted and for whom traditions were more important than progress. Ironically, it was the reactionary custom of dueling that prevented John Law from practicing his economic theories in England, the one country that might have provided a liberal home to his advanced ideas.

That Law was blamed for the Bubble by his contemporaries need not be argued. Even sixty years later in 1783, Horace Walpole had this to say: "Law was a very extraordinary man but not at all an estimable one" (Hyde 1948: 194). Some writers in the nineteenth century continued in that vein; some became more positive. It was not until the twentieth century that Law's contributions received full recognition. Writing in 1954, Joseph Schumpeter, the great historian of economic thought, offered this appraisal: "John Law (1671–1729), I have always felt, is in a class by himself. He worked out the economics of his projects with a brilliance and, yes, profundity which places him in the front ranks of monetary theorists of all times" (Murphy 1997: 6). Judging from the volume of recent publications on the subject, Law's reputation as a theorist is rising rapidly among modern academic economists.

A proper evaluation of John Law's contribution is made difficult by the complexities of the Mississippi System. Gradually, the pieces of the story have been assembled—what securities were issued in what volume, the subsequent price action of those securities, the major transactions of the Mississippi Company, and the content of relevant edicts issued by the Regent's Council. It has remained for a modern scholar, Antoin Murphy, to bring all these pieces into focus and then to pose the pivotal question: Was the System the work of a flawed genius or was Law doomed to failure by entrenched interests? His book, *John Law, Economic Theorist and Policy-Maker,* frames this pivotal question and then addresses it in an admirably thorough fashion. His opus is by a wide measure the most useful reference on the entire subject.

It is possible to advance persuasive arguments on both sides of the "pivotal question". For the purpose of this monograph, what is important to note is that John Law faced formidable difficulties. The launching of the Banque Générale came only after prior proposals to six different governments had been rejected; only a monarchy on the verge of bankruptcy was willing to give the new ideas a try. Further, the functions of commercial banking were virtually unknown in France, such that the novelty of paper money was in itself an issue. Law's mission was complicated by the fact that he was a foreigner who, until his conversion to Catholicism, professed an alien religious faith. Finally, by far the most dangerous obstacle was the existence of a powerful establishment opposed to progress. By definition, the establishment included the richest men in the land.

The magnitude of the obstacles faced meant that Law must implement his changes at breakneck speed. In the space of four years, from the founding of Banque Générale on 2 May 1716 to the notorious edict devaluing paper money issued on 20 May 1720, the credit of France had been re-established and the entirety of the staggering national debt had been redeemed. Quite naturally, this dizzying pace of progress had caused a euphoric rise in the price of Mississippi Company shares. The whole, backed as it was by the massive issuance of banknotes, was on shaky ground.

After having been rejected on so many occasions, John Law must have been intoxicated by his initial and subsequent successes. Between intoxication and an expected backlash from the establishment, Law could have had multiple motives for moving swiftly. Perhaps, given more time to execute, the System might have worked. It is not our purpose to answer that pivotal question. It suffices to observe that enough is now known about John Law to permit intelligent debate.

One final question that does deserve to be addressed is the relevance of the Mississippi Bubble to modern times. As noted above, the French reacted to the trauma of deflated share prices by expunging Law's system in all its aspects. Whereas the trading company survived, the centralization of revenues was disbanded, the paper notes were made worthless, and a long list of economic reforms were terminated. The way to avoid risk, it was reasoned, was to resort to the "tried and true".

The natural tendency for us with our recent Internet Bubble is to do the same, i.e., to condemn the entire risk-taking function. Indeed, the pillorying of stockbrokers, however much deserved, the disintegration of the market for initial public offerings, and the redemption of mutual fund shares is strongly reminiscent of what occurred in France. In cleansing the excesses, we risk also removing some basics. Our challenge in financial markets today is to retain the entrepreneurial climate that, by fostering an extraordinarily high level of innovation, has been a role model for developed economies.

Investors cannot be compelled to be entrepreneurs, but they will assume this role voluntarily if prospective returns outweigh the losses inherent in the assumption of risk. Individuals will bet their money (and their careers) on innovation if the magnitude of the reward motivates them to do so. However, the aftermath of our Internet Bubble features more skepticism and finger-pointing than gusto for accepting new challenges. Just as a study of John Law demonstrates that the skeptics of his age were blind to the man's virtues, much to their detriment, so too are modern investors, pained by losses on Internet start-ups, in danger of minimizing the financial potential of new ventures. If the pendulum of investor sentiment shifts too far from risk toward safety, the growth rate of the economy will slow along with its ability to bear the social burdens that a more dynamic prosperity can support.

If there is one abiding characteristic of bubbles, it is our proclivity to fall victim to self-deception. No one understood the Mississippi System better than its architect. In gathering all the revenue streams of the kingdom, John Law realized that whatever the benefits of being able to coordinate monetary and fiscal policy, these benefits lay mostly in the future. Thus, as the share price rose from 450 to 1,000 livres it must have occurred to him, if to nobody else, that the share price was soaring well beyond the fair value of the enterprise. When the stock then rose to 2,000, to 4,000, and then to 10,000 livres, such thoughts must have become oppressive, and yet, such is the intoxication derived from success that Law made only token attempts to restrain the Bourse even as he accelerated the printing of bank notes. In an analogous vein, investment bankers in the 1990s lowered their quality standards, orchestrated inordinate premiums in the aftermarket, and turned their analysts into cheerleaders. Soaring valuations of marginal business models, instead of providing food for thought, served only to stimulate the collective faith in the wisdom and propriety of the IPO process.

Today we regard these titans of finance as knaves and fools. Although no satirical medals have been struck in their "honor", this omission is largely due to an array of alternative floggings, none of which offer the wit and sophistication of the eighteenth-century original.

In the chapters that follow, we delineate the numismatic aspects of the medals of John Law. Earlier writers shared our passion for the subject but, being pioneers, they made mistakes and omissions that can now be corrected. What cannot be fixed is availability. Regrettably, our research suggests that the medals are a good deal rarer than thought, thus rendering the series impractical for all but the most dedicated specialists.

However, we suggest that possession does not really matter. Rather, it is ours to enjoy the poignant satire on John Law medals, a poignancy born of pain. From our vantage point today, the satire is enriched by the irony that the man deserved

far better—he had wrought a near-miracle, only to be ridiculed for trying. The incredible story of John Law demonstrates once again that no prophet is honored in his own time, even if he is "larger than life".

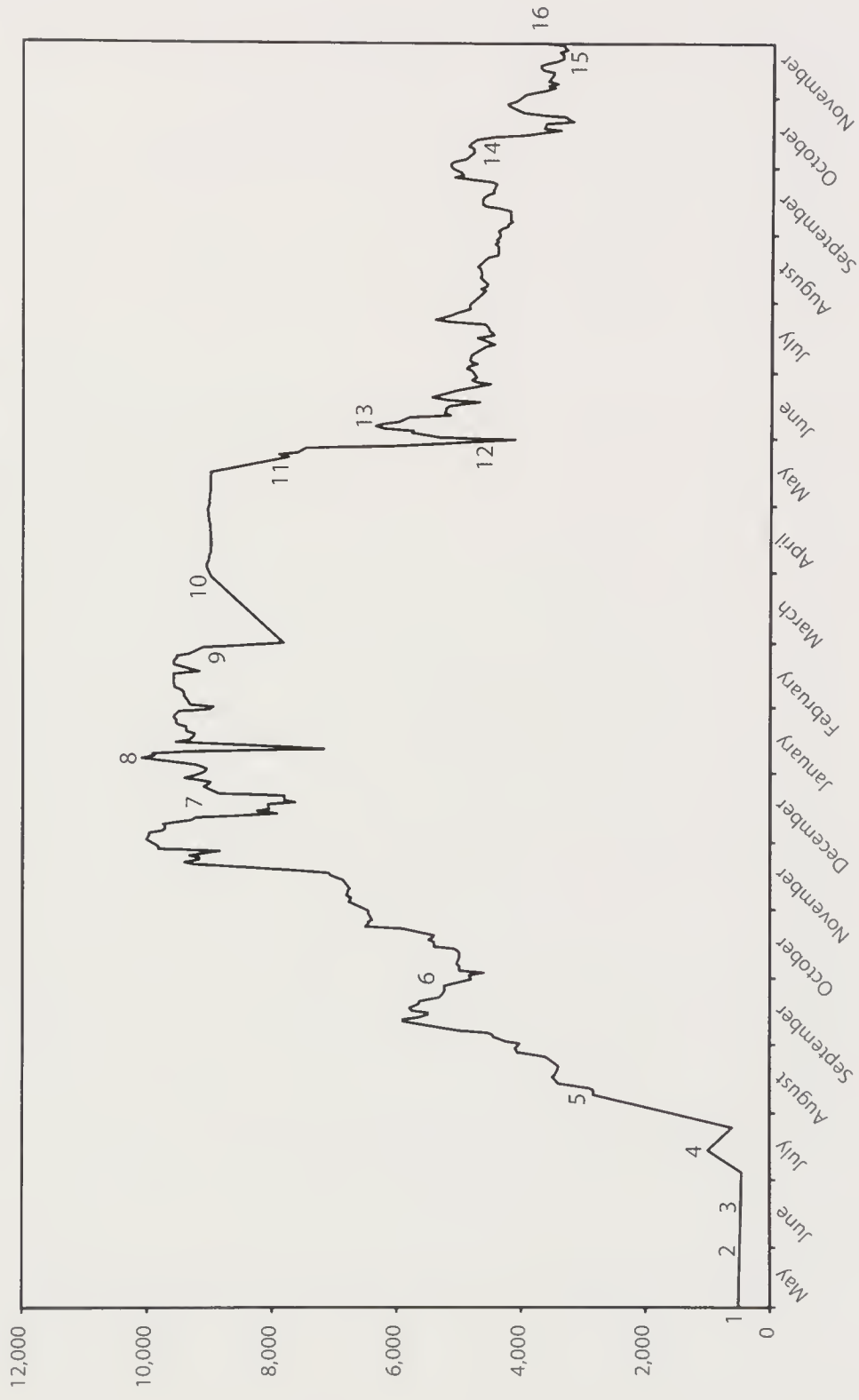



Chart of share price and events. Though no price was quoted for March 1720, the company guaranteed the price at 9,000 livres. Source: Paris, Bibliothèque de l'Arsenal, ms. 4061, par Giraudeau. Reproduced in Murphy (1997: 208). Prices derived from Giraudeau's statistics.

## Milestones in the Price Movement of the Stock

1. August 1717 to May 1719: Company of the West founded and funded with 200,000 shares sold at 500 livres.
2. May–June 1719: Company acquires the three other royal trading companies and the tobacco monopoly.
3. June 1719: Company offers 50,000 new shares at 550 with Law guaranteeing subscription
4. July 1719: Company sells another 50,000 shares at 1,000 and takes over the Mint for 50 million livres.
5. August 1719: Company proposes to assume 1.2 billion livres of national debt and to purchase the tax farms for nine years.
6. September–October 1719: In the space of three weeks, Company floats three offerings, each for 100,000 shares at 5,000 livres a share.
7. December 1719: Trading on the Bourse is so frantic that the Company opens an office to buy and sell shares.
8. January 1720: Law made Controller-General of Finances, the highest ministerial office in the kingdom. Stock peaks.
9. February 1720: Company withdraws from buying the stock. Price plummets.
10. March 1720: Company reverses course and sets a purchase price of 9,000.
11. May 1720: Edict published for a phased devaluation of notes and shares. Shares crash.
12. May 1720: Edict rescinded. Law resigns and is arrested.
13. June 1720: Law returns to office but hard-money members of the Regent's council begin to unwind the Mississippi System.
14. October 1720: Banknotes abolished.
15. November 1720: Banque Royale closed.
16. December 1720: Law leaves France, never to return.
17. March 1729: Law dies in Venice.

# – 2 –
## The Literature

Lessons are doomed to be unlearned; memories fade with time. These aphorisms could describe many episodes in human experience. They certainly fit the rise and fall of John Law's Mississippi system. The intense trauma created by this economic cataclysm subsided over the decades and then the centuries that followed. Today, excepting a handful of academics, our memories of the man and his system are vestigial at best.

The numismatic literature about John Law follows the trend of diminishing intensity. The most eloquent expression of pain is captured in the Dutch book, *Het Groote Tafereel der Dwaasheid,* or *The Great Mirror of Folly.* First published in 1720 and re-published capriciously for decades thereafter, this is a compendium of contemporary commentary. It contains several plays, twenty-seven poems and a range of forty-seven to seventy-four folio-sized prints (Cole 1949: 7, 8). All of the material is satirical in nature; some of it refers to contemporary Dutch speculations, some to England's South Sea Bubble, and most to John Law's System. The sheer volume of the satire attests to the magnitude of the economic losses caused by rampant speculation. The eloquence and variety of the satire suggests that the losses were widespread as well as massive.

When interest in non-classical numismatics began to flower in the mid-nineteenth century, John Law was still a familiar name to educated collectors. Alexi knew him as an economist, but there were enough knowledgeable numismatists to assist him in gathering a respectable list of medals. Benjamin Betts was utterly captivated by the John Law story, as were his contemporaries, C. Wyllys Betts and his editor, William T. R. Marvin. These three, consulting with enthusiastic friends, succeeded in deciphering the often-enigmatic inscriptions on the medals. They did not share the pain of economic loss; the rise and fall of the Mississippi system was too far removed for that. However, well grounded in both languages and

history, they brought the relics of an earlier era to life, capturing the romance and mystery of a compelling personality.

Following the publication by the two Bettses, written material on the John Law medals thins out and then ceases altogether. Medina in 1924 is a simple rehashing of C. W. Betts. Excepting Grueber and Wohlfahrt, who take peripheral looks at the subject, nothing of consequence has been written for ninety years. Numismatically, John Law has vanished into the ether. The written corpus is presented in Table 1.

## CAPSULE DESCRIPTIONS

*Alexi.* S. Alexi was an economist, and fifty-seven of the sixty-seven pages in his book reflect this training. He provides a thumbnail biography of John Law (including an appendix that depicts the Law family tree), and then concentrates on issues of economics. Alexi gives us a meticulous list of the financial paper issued by the Banque Royale, its predecessor the Banque Générale, and the Mississippi Company itself. He also provides a chronology of events and edicts, paralleling the rise and fall of the price of Mississippi shares. Alexi's stated purpose was to assemble the facts in a dispassionate, non-judgmental fashion.

The addition of a list of nineteen John Law medals along with two photographic plates depicting eleven of the nineteen is a happy afterthought. Presumably the eleven plated examples were provided by the numismatic friends to whom the author refers; the remaining eight are taken from German numismatic literature, principally Borchman (1763) and Hauschild (1806). Alexi does not give credit to Professor C. Fieweger; however, that man's superb collection of John Law medals (ten pieces) came to market in Berlin in 1885, an occurrence that seems beyond coincidence (Collection Fieweger 1885). In the five years after 1885, Alexi authored several articles for *Zeitschrift für Numismatik* (Alexi 1887; 1890a; 1890b), but John Law remains by far his most important contribution to our discipline.

Table 1.

| Reference | Varieties Described |
|---|---|
| S. Alexi 1885 | 19 |
| Benjamin Betts 1885 | 28 |
| C. Wyllys Betts 1894 | 28 |
| Benjamin Betts 1906–07 | 38 |
| H.A. Grueber 1911 | 13 |
| J.T. Medina 1924 | 27 |
| Cordula Wohlfahrt 1992 | 13 |

*B. Betts 1885.* In 1885, Benjamin Betts delivered a paper before the American Numismatic Society. Betts had been collecting John Law medals for six years beforehand, his first acquisition having been published in the *American Journal of Numismatics* (Poillon 1879: 96). By 1885, he had assembled a dozen pieces, more than anyone theretofore and more than all but a handful of collectors since. These plus four in the cabinet of fellow Society member Daniel Parish, Jr., plus ten described in Alexi plus two medal-like engravings in *Tafereel der Dwaasheid* added up to an astounding twenty-eight varieties (B. Betts 1907: 4). Those in attendance urged Betts to publish the paper, but he felt it was too "crude" and needing of "further investigation" (B. Betts 1907: 4). It is possible that the author's notes for this paper survive somewhere in the archives of Yale University, where a number of his John Law medals now reside.

*C. W. Betts.* Benjamin Betts sold his twelve specimens to C. Wyllys Betts, who was then writing his authoritative *American Colonial History Illustrated by Contemporary Medals* (Betts 1894). John Law medals occupy numbers 114 through 141 in this book, a total of twenty-eight varieties. Included are all eighteen varieties from Alexi, five non-Alexi varieties from Benjamin Betts, two new entries from Medallic Illustrations, one from the cabinet of Daniel Parish, Jr., and two for which the source is not noted. Not included are the two engravings from *Tafereel der Dwaasheid* listed by Benjamin Betts—properly so because no medals from these designs have ever surfaced.

In his 1885 paper, Benjamin Betts was able to translate the legends and inscriptions "by the help of several friends" (Betts 1907: 4). It is not known whether C. Wyllys Betts had access to these translations or whether the translations in his book were his own. Whichever way, between C. W. Betts and his editors (William T. R. Marvin and Lyman Low), great enigmas are resolved. The combination of the bad Latin and archaic, dialectal German to be found on the medals together with chronograms that required deciphering pose a challenge that today would require a team of linguists to confront. We must be grateful to our nineteenth-century predecessors, all of them heavily grounded in the classics, for sparing us the effort.

If rendering legends is the abiding contribution of *American Colonial History,* its weaknesses lie in metrology (a number of diameters provided are inaccurate) and sequencing (the order of presentation is virtually random). That said, the book possesses the virtue of being widely available in both original and reprinted editions.

*B. Betts 1907.* A founder of the American Numismatic Society and for three years (1870–73) its president, Benjamin Betts left his mark on our discipline. Perhaps his crowning achievement—one spanning twenty-eight years—was *The Medals Relating to John Law and the Mississippi System.* Originally published in five installments in the *American Journal of Numismatics* (B. Betts 1906–07), the whole

Table 2.

| | 1885 | 1907 |
|---|---|---|
| B. Betts collection | 12 | 15 |
| Alexi | 10 | 11 |
| Daniel Parish, Jr. | 4 | 5 |
| Miscellaneous | 2 | 7 |
| Total | 28 | 38 |

was then privately printed (1907) with an introduction and indices appended. The author was to die at age 86 within a year after completing his magnum opus.

With the passage of 25 years from his original paper, the author broadened his list from 28 to 38 varieties (Table 2).

The "miscellaneous" category includes the same two engravings from *Tafereel der Dwaasheid* to which are added single specimens from five far-flung sources. Despite advancing years, Betts continued to cast his net. Ten varieties listed by Benjamin Betts are not listed by Charles Wyllys Betts (B. Betts 1907: nos. 5, 10, 15, 25, 29, 31, 33, 34, 37, 38).

Of the ten, three are recognized to be dubious by the author (nos. 15, 37, and 38), number 5 is apocryphal in our opinion, two are engravings from *Tafereel der Dwaasheid* for which actual medals are not believed to exist (nos. 33 and 34), and eight (nos. 25 through 32) are actual medals that, for reasons to be discussed subsequently, do not belong in the John Law series. This leaves one number (10) that is a legitimate addition to the John Law corpus. It bears repeating that Benjamin Betts had previously contributed five unpublished varieties to C. W. Betts for inclusion in his opus. Thus, the Benjamin Betts monograph can be criticized for superfluous varieties. Like C. W. Betts, it also contains weak metrology (inaccurate diameters, absence of weights) and pays little heed to sequencing. However, these flaws are minor compared to its abiding strengths.

The strengths of the Benjamin Betts opus must begin with the man's obvious zeal for his work. Beginning with his first acquisition in 1879, Betts maintained an intense interest in John Law that lasted for almost three decades. The biographical section on Law (B. Betts 1907: 5–21) brings the subject matter to life. It captures the essence of the "hero" and gives a solid rendering of the workings of the Mississippi System, all done in an engaging literary style that exudes the author's command of the material.

However great the virtues of the biographical section, these are exceeded by the author's brilliant descriptions of individual pieces. Betts went to great lengths to decipher inscriptions written in French, Dutch, German, and Latin—often in archaic or colloquial forms. Occasionally, his renderings are less fluid than those of Grueber or C. W. Betts, but his accompanying information, including

the footnotes, is far superior. The lavish attention that Benjamin Betts gives to his descriptions serves both to elucidate and to ennoble the subject.

*Grueber.* Herbert Grueber was for two decades the Assistant Keeper, then the Keeper of Coins and Medals at the British Museum. With the Museum's collection close at hand, he wrote extensively on British and Roman coinage. His principal works on these subjects remain as important today as at the time of publication.

In 1885, Edward Hawkins compiled his *Medallic Illustrations of the History of Great Britain and Ireland* (Hawkins 1885). A lasting numismatic classic, it lists five varieties of John Law Medals (Hawkins 1885: 2.448–452), only one of which was in the Museum's cabinet. Hawkins' descriptions of the medals are brief; his translations of the mottoes are literal. His then editor, H. A. Grueber, was to raise the Museum's contribution to John Law to a higher level.

In 1904, Grueber began to illustrate the original work using photographs of plaster casts. These photographs are useful in themselves, but the author's accompanying descriptions elaborate on the information compiled by Hawkins. In the case of John Law medals, the descriptions go far beyond the base established in 1885. Grueber expands the varieties cited from five to fourteen; even more important (because both Bettses had already described twice as many) were the renderings of the inscriptions. A truly educated man, Grueber picks up many nuances missed by earlier writers. His translations are always coherent and often inspired. One regrets only that Grueber did not describe more John Law varieties because, if he had, he would almost certainly be the preferred source on the subject.

*Medina.* José Toribio Medina was the author, editor, and printer of over 400 books, of which a dozen are numismatic works. The most extensive of these is *Medallas Europeas Relativas a América* (Medina 1924), which catalogues nearly 500 medals. The medals are organized by eight countries, rather than by date as was the case with C. W. Betts. Otherwise Medina borrows liberally from Betts. The John Law medals contained in *Medallas Europeas* are sequenced exactly as in Betts except for Betts 125, which is naturally placed in the author's French section. Medina's descriptions of John Law medals paraphrase the descriptions in Betts, with the result that little of value is added. Many medals elsewhere in the book reference the "Colleción Medinense". The fact that no John Law medals are so referenced raises our suspicion that Medina owned none himself and copied what he knew from other published sources.

*Wohlfahrt.* In her definitive book on Christian Wermuth (Wohlfahrt 1992), Cordula Wohlfahrt was not focusing on John Law. Of the 1488 medals she attributes to the artist, less than 1% refer to the Scottish financier. Nonetheless, her contribution to the subject of John Law medals is an important one detailing, as she does, the methods employed by Wermuth to manufacture and distribute his designs.

We learn from Wohlfahrt that Wermuth was a self-educated man sufficiently versed in the classics to have devised his own Latin inscriptions; we learn that he

regularly re-used dies (Wohlfahrt 1992: 5), thus explaining the small variations in legends described later; we learn that most of the designs were done on speculation—i.e., with no advance subscriptions—and, finally, we learn that Wermuth had a multi-country network of agents for whom he maintained a catalogue of his current offerings.

Roughly 10% of all medals made by Wermuth were satirical in nature. Wermuth's sense of humor was not always appreciated by the powerful monarchs of the day, and some of his creations were suppressed (Wohlfahrt 1992: 15). Censorship, actual or implied, may be one reason for the scarcity of Wermuth's Law medals. It is certainly the reason that none (with a single exception) are signed even though it was the artist's normal practice to do so.

From time to time, Wermuth published *Specificationes* detailing the designs then available (Wohlfahrt 1992: 24; Wermuth 1698; 1699; 1701; 1702; 1707; 1736). Typically, his satirical medals were of relatively small diameter and were offered in tin (as well as in silver and copper) so that the budget-conscious jokester could make an impulse purchase. Costs were also minimized by simple, shallow designs and by the reuse of dies. What he produced was more an inelegant piece of ephemera than a historical milestone. The very intent of the medal—a good contemporary joke—argued against its being studiously preserved for future generations. When the editors of C. W. Betts refer to medals which "are mostly wretched pieces of work of a South German die-cutter" (C. W. Betts 1894: 59), they are missing the point.

Wohlfahrt's list of Wermuth's John Law medals is not complete and her renderings of the inscriptions are obligatory at best. However, these are minor defects when compared to the richness of the fabric that she weaves. Many have written in depth about John Law, but she alone provides the perspective of a satirist of John Law: she documents the life, times, and travails of he who would mock an establishment that was truly established.

*French literature.* The story of John Law medals was well addressed by the Germans (Alexi, Wohlfahrt), Americans (C. W. Betts, B. Betts), and English (Hawkins, Grueber). These authors treat the subject sometimes with distinction but always with passion. France, the nation that played host to the saga and the one that lost the most in the process, has remained strangely silent. There is not a single article on the subject in the *Revue Numismatique*. The *Revue Belge de Numismatique* does a little better with a review of Benjamin Betts' monograph in 1908 (Bigwood 1908), and a mention in the proceedings of 1964 (Société Royale de Numismatique 1964: 183). However, between these two distinguished and long-lived periodicals, there is nothing that adds to our knowledge of John Law medals. There have been no French collections of note and there are only four John Law pieces in the national repository, the Bibliothèque Nationale.

# – 3 –

## Census and Rarity

As described in Chapter 2, much has been written on the subject of John Law medals. The large written corpus belies the fact that the medals themselves are more than scarce—they are rare. The seeming irony that much has been written about little speaks eloquently for the intense curiosity that the subject evokes when it is infrequently encountered.

In casting the net for our overall census, we attempt to avoid double counting by using the year 1960 as a dividing line. In the years prior to 1960, a period that witnessed the publication of all the major works in the field, the harvest of appearances is a lean one. Benjamin Betts, arguably the leading authority on John Law medals, collected this genre for twenty-three years and amassed a total of twenty-three pieces. No one else came close to rivaling this accomplishment (Table 3).

No doubt a number of pieces have eluded our census. Even so, the appearance of only 133 medals over a century and a half makes an obvious point: the population is extremely small.

The post-1960 census corroborates the earlier data. Deceased numismatists Ted Craige and Leonard Finn assembled collections of fifteen and twelve medals respectively; George Fuld managed to find six. Most of these, along with another seven specimens in the Henry Christensen sale of 20 September 1967, found their way into present-day holdings as shown in Table 4.

There is room for error in the foregoing census but, in our opinion, not much. The 138 medals we list could grow to twice that number but not materially more.[1]

1. It is interesting to compare the modern population of medals with the modern population of a contemporary book, *Het Groote Tafereel Der Dwaasheid.* A folio-sized volume containing a broad assortment of satirical drawings, plays and poems, *Tafereel der Dwaasheid* first appeared in 1720, the year that the Mississippi and South Sea bubbles broke. William Reece, the eminent New Haven book dealer, estimates the present-day population of this marvelous work at 500 copies. Granted that the book was reprinted for many years after its

Table 3.

| Collection | Date | Number of John Law Medals |
|---|---|---|
| Benjamin Betts | 1907 | 23 |
| Montagu | 1897 | 12 |
| Spinks' Numismatic Circular | 1926 | 12 |
| Fernand David | 1930 | 11 |
| Professor C. Fieweger | 1885 | 10 |
| John Murdoch | 1904 | 10 |
| Richard Peltzer | 1927 | 7 |
| J. Van Doorninck | 1905 | 7 |
| George Ulex | 1907 | 6 |
| Robert Ball Fixed Price List | 1936 | 5 |
| Daniel Parish, Jr. | 1907 | 5 |
| A. Reichmann & Co. | 1927 | 4 |
| Julius and Albert Erbstein | 1875 | 4 |
| Senter | 1933 | 4 |
| Spinks' Circular (March/April) | 1920 | 4 |
| Johann Hauschild | 1806 | 3 |
| W. W. C. Wilson | 1925 | 3 |
| Otto Helbing | 1934 | 3 |
| Total | | 133 |

John Law medals rarely appear at auction and, in turn, a poll of the auction houses uncovered no mystery buyers and/or rumors of long-hidden hoards. Collectors such as Craige, Finn, and LaRiviere acquired their John Law medals one at a time.

The obvious question arises: why are these pieces so rare? A sample of the largest collections of the past and present by metal reveals the proportions shown in Table 5.

Given that these medals were topical in nature—the equivalent of today's humorous birthday card—it seems likely that many more specimens were purchased

original publication and that the medals were made only for a year or two, nonetheless the comparison strongly suggests that the medals were regarded as ephemera and, accordingly, have experienced a relatively low survival rate.

Table 4.

| | |
|---|---|
| Western collector | 30 |
| British Museum | 25 |
| American Numismatic Society | 24 |
| Eastern collector | 18 |
| LaRiviere sale | 9 |
| Long Island collector | 6 |
| Yale University | 6 |
| Eastern collector | 5 |
| Münzkabinett Dresden | 4 |
| Münzkabinett Gotha | 3 |
| Eastern collector | 3 |
| Bibliothèque Nationale | 2 |
| Hunterian Museum, Glasgow | 1 |
| Total | 136 |

Table 5.

| Metal | Specimens | % of Total |
|---|---|---|
| Silver | 87 | 57% |
| White Metal | 40 | 26% |
| Lead | 9 | 6% |
| Copper | 18 | 11% |
| Total | 154 | 100% |

in the lower-cost base metals than in silver. The fact that a strong majority of the surviving population is struck in silver would suggest that many of the white metal, lead, and copper medals were simply discarded. Whatever the number struck, the survival rate suffered from the lack of intrinsic value as well as from the modest appearance of most designs.

It is known also that many of Christian Wermuth's satirical medals were banned by political authorities (Wohlfahrt 1992: 15). The John Law pieces would certainly have been "non grata" in France, where the genre remains virtually unknown to this day. It is hard to believe that the medals were cordially welcomed anywhere in a Europe dominated by absolute monarchies and which still basked in the Peace of Utrecht.

Whereas both the ephemeral nature of the item and the hostile political climate mitigated against widespread distribution, the fundamental reason for the scarcity of John Law medals rests with Christian Wermuth. Though capable of sophisticated work for projects on commission, this prolific artist produced his satirical medals on speculation. As a speculator, he minimized his investment in dies by executing them in shallow relief. In like manner, he would have minimized his investment in inventory, making medals only when orders generated from his price list were received. There was no subscription list for satirical material. Rather, business was dependent upon demand from those wishing to enjoy a good joke, an audience which, given the widespread losses on Mississippi Company shares, would have been constrained at the outset. Fortunately, there were some individuals who retained their sense of humor during difficult economic times. It is to these inveterate connoisseurs of wit that we owe the handful of John Law medals that survive today.

In the text that follows, we assign a rarity rating to each variety listed. This rating is based on the Sheldon scale as follows:

R-8 Unique or nearly unique (1–3)
R-7 Extremely Rare (4–12)
R-6 Very Rare (13–30)
R-5 Rare (31–75)

To determine rarity, we have counted all appearances from 1806 until the present day, many of which appearances are of course redundant. We have then doubled the total number of appearances, redundant or not, in order to assign a specific rating. Given that the most common variety (Adams 25) has appeared only 21 times, all ratings are R-5 and above. A summary of rarity ratings yields the following:

R-8 6
R-7 26
R-6 15
R-5 4

# – 4 –

## Descriptions of the Medals

The Chamber of Justice was an occasionally-used tool of French royal governments. Employed often in the seventeenth century (1601, 1607, 1625, and 1661), the Chamber dealt with extraordinary circumstances whereby otherwise unpalatable initiatives could be cloaked in judicial solemnity. Louis XIV remains a towering figure in history, but his wars and his monuments cost far more than his revenues could support. When he died in 1715, he left debts so large that the interest alone was equal to half of the kingdom's revenues.

Louis XV, the great-grandson of Louis XIV, was only five years old when the throne passed to him. His advisors seriously considered declaring bankruptcy, but instead they created a Chamber of Justice in 1716. The ostensible purpose of this initiative was to punish profiteers who had taken advantage of the state. However, the practical purpose was to reduce the debt by any means—i.e., abrogating the "bad" debt while confirming the "good".

John Law had returned to France after the death of Louis XIV who, several years earlier, had summarily dismissed Law's plan for financial reforms because Law was a Protestant. Alexi maintained that Law advised the King's Regent, the Duke of Orléans, and Noailles, the Superintendent of Finance, in structuring the mission of the Chamber (Alexi 1885: 5). Other authorities make no mention of Law's involvement. Whatever the case, the 1716 Chamber of Justice marks the beginning of financial reform under the new regime and, thus, is an appropriate starting point for a catalogue of John Law medals.

The 1716 Chamber of Justice medal familiar to numismatists is the one cited both by C. Wyllys Betts (no. 125) and by Benjamin Betts (no. 1). It features an obverse engraved by Jean Le Blanc and a reverse by Jean Duvivier. Progressive deterioration of the reverse die makes it clear that this is the first of four obverses depicting the king followed by two more obverses depicting the Duke of Orléans. Our John Law series starts out with these designs.

1. *Obverse 1.* Laureate bust of king in profile to the right, wearing cuirass with paludamentum (the Roman military cloak) over the armor; the hair is long, flowing, and abundant; it descends below the bust. The legend: LUDOVICUS XV·D·G·FR·ET·NAV·REX. ("Louis XV, by the grace of God, King of France and Navarre"). On the trunk of the bust, I·LE·BLANC·F· refers to the die-cutter, Jean Le Blanc.[1]
*Reverse A.* One can debate whether the massive debts incurred by Louis XIV were the fault of the borrower or the lenders. This design adopts the latter view: the lenders are symbolized by Cacus, a famous robber in classical mythology; he is best known for having stolen a herd of cows from Hercules, hiding them by walking them backward into a cave. In the present case, he is being dragged from the cave by Hercules, a flattering metaphor for the newly formed Chamber of Justice. The legend: VINDEX AVARAE FRAUDIS· ("the avenger of avaricious fraud"); in the exergue: CHAMBRE DE JUSTICE / 1716· In the field above the feet of Hercules are the letters DV for the engraver of this reverse, Jean Duvivier.
*Metrology.* Struck in gold, silver, and bronze; specimens in all three metals are in the Bibliothèque Nationale, with the silver example showing a small die break behind Cacus' head, the bronze exhibiting a larger break, and the gold example one that is larger still. The bronze measures 40.7 millimeters and weighs 30.2 grams. Rarity 6.
*Literature.* C. W. Betts 125; B. Betts 1; Alexi 18, Nocq no. 34 (Cabinet des Médailles no. 2400); LaRivière II, Bowers & Merena (23 March 2001), Lot 2040.
Plate 1 (Bibliothèque Nationale, Paris: SR 2508/ 6)

2. *Obverse 2.* Laureate bust of the young (six years old) king in profile to the right, wearing cuirass with paludamentum (the Roman military cloak) over the armor. The top leaf of the laurel wreath nearly touches the letter G. Same legend, but a new bust signed by J. C. Roettiers.
*Reverse A.* As above. Small rim cud at 5 o'clock.
*Metrology.* The silver measures 41.0 millimeters. Rarity 7.
*Literature.* Nocq no. 35 (Cabinet des Médailles no. 2508).
Plate 1 (Bibliothèque Nationale, Paris: SR 2400/ 112)

3. *Obverse 3.* The bust is nude. Legend: LUDOVICUS XV·REX CHRISTIANISS· On the edge of the shoulder: DU VIVIER·F·
*Reverse A.* As the preceding.
*Metrology.* None given by Nocq. Rarity 7.

1. Le Blanc must have been in favor with the new court: according to Forrer (1902–30), he also executed a portrait of the Duke of Orléans and two other medals referring to the regency.

*Literature.* Nocq no. 36 (Cabinet des Médailles no. 2581).
Plate 1 (Bibliothèque Nationale, Paris: SR 2581 / 184)

4. *Obverse 4.* As obverse 2, except that the top leaf of the laurel wreath is distant from the letter G. Legend: LUDOVICUS XV·D·G·FR·ET NAV·REX. No signature.
*Reverse A.* Scene and legends as on all. Rim is crumbling from 11 o'clock to 1 o'clock. This die may be differentiated from reverse B by a relatively large date, with the 6 placed between the E of DE and the J of JUSTICE. The I is under the R in CHAMBRE.
*Metrology.* The bronze measures 40.8 millimeters and weighs 30.4 grams. Rarity 7.
*Literature.* Not previously published.
Plate 1 (private collection)

In addition to Chamber of Justice medals featuring the king there are at least two die combinations that portray the regent.

5. *Obverse 5.* Nude bust facing right of a heavily be-wigged Duke of Orléans. The legend: PHILIPPUS DUX AURELIANENS.FR.ET NAV.REGENS. ("Philip, Duke of Orléans, Regent of France and Navarre"). Below the bust DU VIVIER., referring to Jean Duvivier the engraver.
*Reverse A.* Clearly a later state as the rim crumbling extends around the clock from 5 o'clock to 8 o'clock. Heavy break behind Cacus' head.
*Metrology.* The bronze measures 40.8 millimeters and weighs 34.2 grams. Struck in a closed collar as are this whole group of French medals. Rarity 7.
*Literature.* Not previously published.
Plate 2 (private collection)

6. *Obverse 6.* In this combination, the die is broken and heavily rusted. There are multiple breaks from circumference toward the center, the most prominent through A and second N of AURELIANENS.
*Reverse B.* The identical cave scene, probably raised from the same hub. The lettering of the motto and in the exergue are from different fonts. The easiest diagnostic is the placement of the date, with the first 1 of 1716 between E and D, with the 6 directly under J.
*Metrology.* Bronze, measuring 40.9 millimeters in diameter and weighing 33.05 grams. Rarity 7.
*Literature.* Not previously published.
Plate 2 (private collection)

Our next medals mark a transition from the elaborate capabilities of the Paris mint to the more humble manufactory of Christian Wermuth. The date moves four years forward to 1720.

## GROUP OF TWELVE

We place the following group of twelve medals near the beginning of the series for two reasons. First, the mottos are equivocal, suggesting that the ultimate fate of the Mississippi Company is not yet known. Secondly, there are no images on these pieces, from which one might infer that the financier had not yet become an obvious target of satire.

Although Wohlfahrt lists only six of the twelve medals, there can be no doubt that the first eleven were executed by Christian Wermuth. The style is strongly suggestive of his work and the group is die-linked.

7. Grueber and both Bettses place this medal at or near the beginning of their respective series. Of the three, only Grueber reads the piece as satirical, seeing double entendre where the Betts brothers saw none. The best clue as to intent may be the concluding words on the reverse, which name Strasbourg as the place of origin. Although Christian Wermuth, the engraver,[2] did not have a shop in that city, he attended numerous fairs and may have fabricated this medal for or during such an event. He would not have wanted to leave any clue as to the country of manufacture if the medal was an apparent attack on the French establishment.[3] This clue, as well as the fact that the medal raises issues about the Mississippi system but does not resolve them, suggests that the time of striking was early in 1720, well before the debacle that was to occur in July of that year.

   Like most of Wermuth's topical designs, No. 7 features crude figures in low relief. The purpose and, today, the appeal of the medal is not the artistry but the witty commentary on then current events. No other medal in the series delivers more wit or more insight.

   *Obverse 7.* The figure of Law standing in court dress and facing the figure of Envy crouched in a cave. Law holds a three-masted schooner in his left hand and in his right a scroll which reads LOVISIANA | EST EST | BANCO ET | MONETA ("what Louisiana is, is both a bank and a mint"). Above, the winged figure of Fame blows two trumpets—the upper one emits the words LAVS IN ASTRIS. ("praise among the stars") and the lower one LAVS IN TERRIS. ("praise on earth"). The word LAVS ("praise") is a pun on the name Law, the latter often spelt "Laws" (pronounced "lass") in French.

   In exergue, INVIDIAM VIRTVTE PARTAM | GLORIAM NON INVIDIAM | IVDICO | CIC·P·CAT I·C·12· which Benjamin Betts translates, "The odium

2. We attribute this medal to Wermuth on the authority of Wohlfahrt, who lists it as her number 20014.

3. In 1718, only two years earlier, Wermuth had resolved a long period of probation in his hometown of Leipzig. He could have had little appetite for renewing an encounter with the authorities (Wohlfahrt 1992: 22–23).

that is born of virtue, I regard as glory, not odium. Cicero against Catiline, first oration, chapter 12" (B. Betts 1907: 26). The phrase from Cicero is a slight misquotation, since the original has "putarem", not "judico", but the adjustment makes sense given the limited size of the medal and greater clarity of using the indicative mood instead of the subjunctive. Put another way, the notoriety given John Law by jealous critics redounds to his glory.

*Reverse C.* The four-part dialogue on the reverse would have made good theater. Envy speaks first, *INVIDIA* | LVCRIPETAS ALLICIS | VANAE VENDITIONE SPEI | ("Envy: 'You entice those who seek wealth by the sale of a worthless hope.'" [C. W. Betts 1894: 59]), to which Praise replies, LAVS | QUOD VERVM EST, LATEAT | QUAMVIS, ALIQVANDO PATEBIT ("Praise: That which is true, although concealed, will be disclosed in time"). Again Envy: INVIDIA | AVRIFEROS VENDIS MONTES: | POTIERIS AHENIS: ("Envy: You sell mountains of gold but you possess only brass"). Now John Law chimes in: LAWS | QVICQID SVB TERRA EST, IN | APRICVM PROFERET AETAS· | HORAT·I·EP·6· (Law: "Whatever is under the earth will come to light in good time"—a quote from Horace, *Epistulae* 1.6). The author now sums up: AVTOR | PASCITVR IN VIVIS LIVOR; | POST FATA QVIESCIT; | TVNC SVVS EX MERITO | QVOQVE TVETVR HONOS | OVID·I·AMOR·15· ("Author: Malice feeds upon the living, after death it rests; then everyone is valued according to their deserts"—a quote from Ovid, Amores 1.15). ARG·STRAESB·F· | 1720· ("made in Strasbourg, 1720").

*Metrology.* Silver (28.5 grams) and white metal, measuring 44.4 millimeters. Rarity 6.

*Literature.* Poillon 1879: 96; C. W. Betts 114; Benjamin Betts 2; Alexi 1; Grueber 1; Wohlfahrt 20014.

Plate 2 (American Numismatic Society, New York: 1942.12.3)

8. Our eighth number again speaks to both sides of the argument.

*Obverse 8.* PARISER | WEST-INDISCH- LOUISIANISCHER | COMPAGNIE | ACTIEN | ODER | BANCO-BILLETS | IEDE A | 500·LIVRES OD· 166 2/3 THL | VON·1·IAN·1718·| MIT X·PRO CENT ZU | VERINTERESSIREN ("Paris West-Indian Louisiana Company stock or bank-bills, each of 500 livres or 166 2/3 thalers, to pay interest from 1 January 1717,[4] at ten percent"). The use of German for the inscriptions emphasizes that there was strong interest in the Mississippi System outside of France. As will become apparent, losses were sustained throughout Germany, Holland, and England as well as France.

4. The last digit on the only specimen seen is indistinct; on the clearly struck obverse 10, it appears as 1717, but on the only specimen seen here, it is likelier to have been 1718 than 1717.

Legend near the edge reads, beginning on the left and continuing around to the right, SIND INCONFISCABEL UND SEMPER FREY ("are not to be confiscated and always free" [of tax]). Upside down in three curved lines at the bottom: IN FINE VIDEBITVR | CVIVS | TONI· ("in the end, it will be seen who strikes the right tone").

This obverse differs from obverse 10 (below) only slightly: the specified interest rate of 10% is changed to 4%; the date, if it was not 1717, was altered too. The capital of the West Indies Company was subscribed by tendering government debt; this debt was then surrendered to the government which then guaranteed the Company a 4% return on face value in perpetuity. Because MIT X PRO CENT ZU or a 10% interest rate was incorrect, it stands to reason that obverse 8 came first in the progression, its rarity (only a single example is known) suggesting that the error was discovered almost immediately. Although the remainder of the motto is identical to the wording on obverse 10, the position of the letters is quite different, confirming that obverse 8 was a distinct die whose fate was to be discarded as opposed to reworked.

*Reverse D.* In thirteen lines: SO | VERSICHERTS | LAWS | UND SPRICHT: | DIESES GLAUB ICH | ANDERS NICHT· | MANCHER | DOCH MIT THOMA | SPRICHT: | ICH GLAUB ES | NOCH LANGE | NICHT· | 1720· ("So Law assures us and speaks: I believe this and nothing else; many another, however, says with [doubting Saint] Thomas, 'I do not yet believe it by a long measure'. 1720". Around the periphery: ALLES LIEGT AM GLÜCK UND AN DER ZEIT ("everything depends on luck and timing").

With great insight, Benjamin Betts ties the obverse and reverse inscriptions together as follows: "The last three lines on the obverse, seemingly refer to, and should be read after the reverse, which is a song or verse of two responsive couplets; the two lines of each ending spricht and nicht alternately: in the first, Law asserts that the shares are to pay good interest; while in the second, the doubters express their dissent from this proposition. 'In the end it will be seen which song has the true ring'—i.e., Law's words or those of the doubters" (B. Betts 1907: 36).

*Metrology.* White metal, measuring 25.8 millimeters. Rarity 8.

*Literature.* This obverse die not previously reported. There is a specimen of this variety at the ANS.

Plate 3 (American Numismatic Society, New York: 1942.12.4)

9. *Obverse 9.* The interest rate has been corrected to IV and IEDE A becomes IEDES A.

*Reverse E.* Legend around periphery: MANN·SEZT·SICH·NICHT·FUR·MAAS·NOCH·ZIEHL* ("they place no amount nor limit on their desires") (Betts 1907: 40). Inscription arranged in ten lines: DIE | DA | REICH | WERDEN | WOLLEN | FALLEN | IN | VERSUCHUNG· | I·TIMOT·VI·V·9·10· |

1720· Wermuth quotes only the first part of verse 9 from the Luther translation: "But they that will be rich fall into temptation...." These words would be enough in an age of constant bible reading to bring to mind the rest of the two verses: "...and a snare, and into many foolish and hurtful lusts, which drown men in destruction and perdition; 10 For the love of money is the root of all evil: which while some coveted after, they have erred from the faith, and pierced themselves through with many sorrows" (1 Timothy 6: 9–10; King James version). The sentiment expressed by this reverse is more judgmental than the preceding and, hence, we place it after Reverse D in the sequence.

This obverse die is listed by C. W. Betts and Benjamin Betts. Both cite Alexi as their authority and Alexi references an auction catalogue of the Berlin coin auction house Weil (Alexi 1885: 65), with the specimen therein being in silver. No examples have surfaced in modern times. Thus, the variety is doubtful, but in deference to the diligence Alexi generally employed, we have kept it in the corpus.

*Metrology.* Silver, measuring 25.8 millimeters. Rarity 8.

*Literature.* C. W. Betts 131; B. Betts 11; Alexi 13.

Not illustrated

10. *Obverse 10.* Same as the preceding except for the addition of AO·1720·AUT·2·PR·100 ("in the year 1720 two shares for 100" [livres]). Given that the Company's share price never fell below 500 in the early years, this phrase must reference the modest down payment of 50 livres per share (Murphy 1997: 190), or "two shares for 100". This medal is thus tied to the year 1719, when Law floated three new issues.

Our 10 is markedly less scarce than number 8 or number 9—Benjamin Betts owned no less than three specimens himself. No doubt, Wermuth now felt that he had got his facts straight and could market aggressively.

*Reverse D,* as on 8 above. Actually, this is a new reverse die but, because the lettering is identical, we maintain the designation "D".

*Metrology.* Silver, white metal, and lead (7.24 grams), measuring 27.0 millimeters. Rarity 6.

*Literature.* C. W. Betts 121; B. Betts 9; Alexi 12; Wohlfahrt 20005.[5]

Plate 3 (Yale University, New Haven)

11. *Obverse 11.* Seemingly the same die as obverse 9 but STAATS-BILIETS (state bills) is substituted for BANCO BILLETS (bank bills) and IEDES A is changed back to IEDE A.

5. The Fieweger catalogue of 28 April 1885, lot 18, describes an identical die pairing except that IEDES is reported as IEDE. Presumably the cataloguer, who references Alexi 12 and Fonrobert 1937, both of whom report IEDES, made a mistake. However, with this sub-series of Law medals featuring relatively small differences, anything is possible.

*Reverse E.* As on number 9, except now there is a die crack on the edge at 8 o'clock and in the lower right field.
*Metrology.* Silver, measuring 26 millimeters. Rarity 7.
*Literature.* B. Betts 10.
Plate 3 (American Numismatic Society, New York: 1892.37.13)

12. *Obverse 11.* Same as on number 11, but now there are multiple die breaks on the rim at 4, 6, and 9 o'clock.
*Reverse D.* Same as on numbers 8 and 10.
*Metrology.* Silver (7.16 grams), measuring 26 millimeters. Rarity 7.
*Literature.* C. W. Betts 140; B. Betts 8.
Plate 3 (American Numismatic Society, New York: 1892.37.14)

13. *Obverse 12.* Legend in three concentric rings: DA ALLER HANDEL SONST· SO GAR DA WIEDER LEIT | PARTURIUNT MONTES NASCETUR TRA LA LA RA LA | INSIGNE·TOUT LA COMPAGNIE ("Since all trade otherwise is led the same way again; the mountains are in labor but produce nothing but sound, the sign of the whole company"). The reference to the mountains being in labor is from Aesop: "the mountain was in labor, but gave birth only to a ridiculous mouse." Within these three rings is the coat of arms of the Mississippi Company, two facing Indians with a cornucopia between them. In the exergue: MANN SCHIKE SICH | NUN NUR IN DISE | NEVE | ZEIT, which C. W. Betts renders: "A man can do nothing under present circumstances but go with the times" (C. W. Betts 1894: 73). Alexi notes that the inscription on this medal is from a poem on page 25 of *Het Groot Tafereel der Dwaasheid* (Alexi 1885: 59n; pagination in this work varies from copy to copy).
*Reverse F.* This reverse has exactly the same mottos as on Reverse E, made with the same punches, but the arrangement of the words is slightly different. The failing of the reverse when used on number 11 probably necessitated the cutting of a new die.
*Metrology.* Silver, white metal, and bronze, measuring 44 millimeters. Rarity 7.
*Literature.* C. W. Betts 137; B. Betts 12; Alexi 14; Wohlfahrt 20016; Grueber 7.
Plate 3 (British Museum, London)

14. This medal steps up the pace, using images and biting satire. Law along with the French people are depicted as being mad for money. However, there is no allusion to the fall of the system, thus placing this piece at the beginning/mid-point of the series.
*Obverse 13.* Outer rim: BEETER IN DE WYDE WERELT; ALS IN DE NAUE BUYK OF KIST ("better expended into the wide world than hoarded within the belly or chest"). Inner ring: NVMMVS VBI LOQVITVR: ("money talks everywhere").

In the exergue: NOOIT BREEKT YSER· | 22·PRO CENT· ("necessity knows no law, 22 per cent"). This latter seems to refer to high returns being achieved by Law's System, but the defecating man connotes the gross materialism inherent in acquiring such wealth. The expression "Nooit breekt ijser" actually means "Iron never breaks" (*nooit* is Dutch for "never"); the proper phrase, "Necessity breaks iron", is "Nood breekt ijzer". Although Wermuth knew enough Dutch to include a common Dutch idiom on his medal, his lack of command of the language led him to substitute the incorrect *nooit* for *nood*; of course, use of the correct word would have complicated matters further by making his chronogram senseless. The author depicts the System as a mixture of good and evil. The chronogram adds up to 1720, although it can be confusing to people not familiar with the Dutch alphabet. In Dutch, the diphthong "Y" is considered equivalent to "IJ", so the three "Ys" in the chronogram stand for six Roman numeral "Is".

*Reverse G.* KOMT SEHT DAS FRANTZ-VOLCK AN! HERR LAVV THVT GROSSE THATEN! ("Come, behold the people of France! Mr. Law does great deeds!"; date in chronogram, 1720). Inscribed in seven lines in the center: EN | MAGNAS | DAT OPES | CELEBER | LAVV | FOENORE | QVESTVS. ("Behold the celebrated Law, by usury, gives great wealth"; date in chronogram, 1720). The sentiments expressed on the reverse parallel those on the obverse quite exactly.

*Metrology.* Silver (11.21 grams). ANS specimen has a reverse rim break at 1 o'clock. Rarity 7.

*Literature.* C. W. Betts 126; B. Betts 24; Wohlfahrt 20011; Grueber 2.

Plate 4 (American Numismatic Society, New York: 1966.65.1)

15. *Obverse 13.* Same as above. Alexi (and B. Betts following Alexi) gives NOVIT for NOOIT and à 2 for 22. We doubt these differences and suspect that Alexi was recording from a secondhand source. Benjamin Betts in a footnote comes to the same conclusion (Betts 1907: 54).

*Reverse H.* Around the periphery: AVT·DESERVNT·NOS·AVT·DESERIMVS·ILLOS*; in four lines in the field: DIS | TING | UEND | VM ("Either they will desert us or we will desert them; it must be distinguished)". Grueber reads these inscriptions as a "call upon the populace to be careful and to distinguish whether Law and his following would desert them or whether it would not be more prudent for them to desert Law and his men"(Grueber 1904–11: commentary on plate 144 no. 6).

*Metrology.* Silver and white metal. The British Museum specimen has die breaks at 9 and 11 o'clock on the reverse. Rarity 7.

*Literature.* C. W. Betts 127; B. Betts 23; Alexi 16; Grueber 3.

Plate 4 (British Museum, London: 1905-12-6-11)

16. *Obverse 14.* Entitled LES RICHESSES DE FRANCE, below which is a windmill on which are inscribed at various points the words MERCURY, MONOYE, and BANCO. Jewelry is being sucked into the upper left blade of the windmill on, and BILLETS into the upper right, which is also being charged with LOVIS DORS blown through a pipe by John Law, whose head appears at the extreme right. The lower left blade is spewing ACTIEN (shares); the lower right blade emits coins.

This design is an amazingly perceptive rendition of Law's complicated system. With a very small amount of capital (gold pieces), Law sets in motion an apparatus that sucks in *billets* (the government debt that is exchanged for Banque Royale's equity) and, further, causes people to sell their jewelry, with the proceeds thereof likewise sucked into purchasing stock. With the capital thus attracted, the Banque issues a large volume of its own notes (*actien*) and earns large profits (the coins) on its net interest income.[6] The fertility of the system is reinforced by the cornucopia on each blade (or sail) of the windmill. Here is a formidable money machine indeed.

The windmill is also a play upon contemporary words for defrauding the money market by drawing bills of exchange in a circular arrangement, called in Dutch *Windnegotie* (wind negotiations). A draws on B, B draws on C, and C draws on A, thus creating credit by the mere float of the outstanding bills of exchange. The term remains with us today in English with the concept of "kiting checks".

*Reverse G.* Same as 14 above. Whereas the author uses the obverse to concede the profitability of the Banque Royale specifically and the Mississippi Company generally, he clearly has misgivings: "Behold, the renowned Law, by usury of gain, gives great wealth" (C. W. Betts 1894: 67). In the minds of educated people of the day, one man's profit had to be another man's loss, a philosophical belief not dispelled until David Ricardo. The wealth being created by the Mississippi Company had to have a negative side, which, as a matter of supreme irony, events would soon show.

*Metrology.* Silver (10.42 grams, 11.08 grams, 11.27 grams) and white metal, measuring 32 millimeters. Rim cud at 1 o'clock on the reverse has progressed further than on number 14. Rarity 5.

*Literature.* C. W. Betts 130; B. Betts 3; Alexi 9; Grueber 4; Wohlfahrt 20012. Plate 4 (American Numismatic Society, New York: 1966.65.2)

6. The coins issuing from the lower right blade could also refer to the mint that was incorporated into the system early in the year.

Benjamin Betts (1907) provides an alternative reading of the design: he sees the jewelry at upper left and coins at lower right flowing into the system, while the Banque emits streams of shares at lower left and banknotes (*billets*) at upper right. C. W. Betts (1894) saw all four arms of the windmill as emitting their respective streams of wealth.

17. *Obverse 15.* The same design as obverse 14, but a new die, as noted by Wohlfahrt (1992: 371), distinguished by a border of three concentric rings and consequently a more crowded design as the same elements are squeezed toward the center. In the date 1720 in exergue, there is a dot above the 1 and another after the 0.
*Reverse I.* Apparently our 16 sold briskly because, after the failure of reverse G, Wermuth cut another reverse die to use with his eloquent windmill. The inscription is the same except that it ends LAVVS PER BONA QVESTVS ("Law by the benefit of his gains").[7] This new wording, by omitting "usury", takes on a less judgmental tone. Perhaps Mississippi shares had gone up since the earlier reverse was published or perhaps the author was responding to criticism of his tone. If so, that tone would get worse.
*Metrology.* Silver and white metal, measuring 32 millimeters. Rarity 7.
*Literature.* Grueber 5; Wohlfahrt 20013 (the illustration is correctly titled but the description repeats the legends for 20012).
Plate 4 (British Museum, London)

18. The editors of C. W. Betts confidently proclaim that "these dies were by Wermuth" (C. W. Betts 1894: 62n). However, the seemingly different style, the thin letter punches, and the erratic letter placements point toward a new source. Alexi posits that this medal as well as C. W. Betts no. 128 were made by "ein Hamburger" (Alexi 1885: 59). Clearly, the same person executed both. As the inscriptions below suggest, that person was a prescient observer of the financial scene, even if his engraving skills were substandard.
*Obverse 16.* The central figure is John Law in court dress, operating a bellows from which emanates a torrent of stock certificates, and from whose mouth the words: WER KAVFT ACTIEN ("who buys shares?"). Around the periphery: WER SICH DVRCH DIESEN WIND DEN GELDGEITZ LAESSET FVHREN (aptly rendered by Grueber, "who in his desire for money will allow himself to be led by the wind?" [Grueber 1904–11: commentary on plate 144 no. 6]). In the exergue: SEI KLVG·V·WITZIG IN | VERKEHREN ("be clever and smart in commerce"). Assuming this design was not constructed ex post facto, these are words of wisdom indeed. Again, the bellows refers to the Dutch *Windnegotie* or our "kiting checks".
*Reverse J.* A dog perched on a bridge looks down at the water where floats a briefcase, presumably filled with shares and/or billets. This design alludes to Aesop's fable of the dog that, seeing an image of another bone in the water, snatches at it, losing his own bone in the process. In two lines: DER KAN VERWIRRVNGS VOLL | SEIN HAAB·V·GVTH VERLIEREN ("One who gets confused may lose the goods and possessions he has") (C. W. Betts 1894:

7. Grueber was the first to note this variety (Grueber 1904–11: comments on plate 144, numbers 4 and 5).

61). In the exergue: SOLL DICH ESOPI HVND | NICHT LEHREN· | 1720· ("shall Aesop's dog not teach you?")
*Metrology.* Silver (15.45 grams, 16.94 grams), white metal, and bronze (15.63 grams), measuring 34.3 millimeters. Relatively common, rarity 5.
*Literature.* C. W. Betts 118; B. Betts 22; Alexi 7; Grueber 6.
Plate 4 (American Numismatic Society, New York: 1892.37.15)

## THE GAME IS NOW ENDED

The following seven medals are dated 1720 but, from the inscriptions, it is clear that they were made later in the year after the bubble had burst. Armed with the clarity of hindsight, the authors are alternately brutal and humorous in their treatment of the subject. Not restrained by uncertainty, they pummel the target.

19. This medal shares style and punches with 18. It is, thus, the work of Alexi's "ein Hamburger".
*Obverse 17.* In three semi-circular lines: VERGRÖSRVNGS GLAS THVTS HIER VND AN SO VIELEN ENDEN | DAS SICH DIE KLVGSTEN AVCH DIE GELDSVCHT LASSEN | BLENDEN· ("As the magnifying glass does it here and in so many ends, so even the cleverest allow themselves to be blinded by greed for money"). In the exergue: DER ACTIEN BETRVG | VND LIST ("The shares are fraud and delusion").

A man in a frock coat stares through a magnifying glass in his right hand at an assortment of billets of varying denominations. With his left hand, he reaches toward a chest of coins. The man is fooled by the magnifying glass into thinking that the paper bills are worth more than they are, so he is willing to pay out hard coin from his money chest.
*Reverse K.* In two semicircular lines: DAS SPIEL IST NVN ENDECKT DAS BLAT HAT SICH GEWEND·V·SO MACHT | DER BETRVG EIN SCHRECKENVOLLES END. ("The game has now been discovered, a new leaf has been turned over, and the fraud makes a horrible end"). In exergue: DER GANZEN WELT EIN | DENKMAL IST. | 1720· ("The whole world is a monument, 1720"—i.e., is a mirror of the folly of the times).

In a stark scene, a man has hung himself from a dead tree after removing his hat and sword, which lie on the ground beneath him. Another man to the lower left has thrown himself into the river. On the bank yet another appears to be preparing himself to jump into the water, while a fourth man, more simply dressed, flees towards the right.
*Metrology.* Silver and bronze (20.52 grams, 24.85 grams), measuring 40.4 millimeters. Protrusion on reverse rim at 10 o'clock. Rarity 6.
*Literature.* C. W. Betts 128; B. Betts 21; Alexi 8.
Plate 5 (American Numismatic Society, New York: 1897.3.1)

20. *Obverse 18.* This obverse, shared by the next two numbers as well, is Christian Wermuth at the peak of his satirical art. He depicts Law in the full regalia of court dress: cocked hat, flowing wig, and an elaborate coat with an impressive decoration (a Maltese cross, which Benjamin Betts identifies as possibly the French Order of the Holy Spirit, the Saint Esprit), (B. Betts 1907: 31n). In his right hand he cradles a package labeled ACTIEN (shares) and BILLETS (notes). The facial features of the portrait include the eyes set deep below arched brows and a nose that is large even by monarchical standards. Here, then, is the epitome of power and greed. The legend reinforces the majesty of Law's person. In three concentric lines: Mr. de LAWS, COMTE de TANCKERVILLE, CONSEILLER du ROY DANS TOUTS SES | CONSEILS, SURINTENDENT ET CONTROLLEUR GENERAL DES FINANCES du ROYAUME | DE FRANCE:· ("Monsieur de Laws, Count of Tankerville, Counselor of the King in all his councils, Superintendent and Controller General of the Finances of the Kingdom of France").
*Reverse L.* The image portrayed on the obverse is undercut by a slashing inscription in fifteen lines: DURCH | ACTIEN, | CREDIT, TEICH', | GAERTEN, LOTTERIE, | KUX', LIB'ROS, BILLETS, | WIE AUCH DURCH ALCHYMIE, | KOMMT MAN | ZUMS | LIEBE GELT, | UND WEIS SO GAR NICHT | WIE. | IN ANNO QVO: | DEFICIENTE PECV- | NOS FVGIT OMNE | -NIA. ("Through shares, credit, pools, gardens, lotteries, mining shares, books, notes, and also by alchemy, a man acquires the beloved money but does not know how. In the year [1720 in chronogram] that lacked everything, all money fled from us"). The lettering is so sloppily executed (the word "pecunia" is split in two, with the phrase "nos fugit omne" inserted in its middle) that one suspects the author, in love with the obverse, acted in haste to bring the medal to market.
*Metrology.* Silver (8.03 grams), measuring 32 millimeters, perfect obverse. Rarity 7.
*Literature.* C. W. Betts 124; B. Betts 6; Alexi 3; Wohlfahrt 20009; Grueber 9. Plate 5 (American Numismatic Society, New York: 1892.37.11)

21. *Obverse 18*, as on number 20.
*Reverse M.* With more time to exploit his masterful obverse, Wermuth created an equally masterful reverse: DIMANCHE: NOUS VIDONS PAR LES BILLETS DE BANCQUE TOUTES LES BOURSES· | LUNDI: | NOUS ACHETTONS DES ACTIONS, | MARDI: | NOUS AVONS DES MILLIONS, | MECREDI: | NOUS REGLONS NOTRE MENAGE, | IEUDI: | NOUS NOUS METTONS EN EQUIPAGE, | VENDREDI: NOUS ALLONS AU BALL, | ET SAMEDI: A L HOPITAL· | 1720· ("On Sunday, using bank notes, we empty all the purses [of their coins]; on Monday we buy shares; on Tuesday we have millions; on Wednesday we hire our house staff; on Thursday we set

up a horse and carriage; on Friday we go to the ball; and on Saturday to the poor house. 1720"). Quoting Fiske's "Memoirs of John Law", Grueber states that these pungent lines were sung in the streets of Paris to the tune of "Les Pendus" (Grueber 1904–11: description of plate 145 no. 10) Charles Mackay attributes the epigram to May/June 1720, when an exiled Parlement was amusing itself at Pontoise (Mackay 1841).

*Metrology.* Silver (11.24 grams, 12.17 grams) and white metal, 32 millimeters. Rarity 6.

*Literature.* C. W. Betts 122; B. Betts 7; Alexi 5; Grueber 10; Wohlfahrt 20008.

Plate 5 (American Numismatic Society, New York: 1892.37.18)

22. *Obverse 18.* Same as on numbers 20 and 21.

*Reverse N.* Legend in twelve lines comprising a five-line poem: KWIA | MVNTVS | FULD TEZIBI, | NICHT LUSCHT MEHR HAT | ZUR LOTTERIE, | SO SCHAFFT VOR BILLETS | ACTIEN | HER, | IN DIE KREUZ UND IN | DIE QUER, | NACH DER IETZ'GEN | WELT BEGEHR· | 1720· ("Because the world wishes to be deceived and no longer has any desire for lotteries, so one creates shares here, there, and everywhere, which the present-day world desires, 1720"). The first four words, "Kwia muntus fuld tezibi" is a phonetic approximation of the Latin phrase, "Quia mundus vult decipi" ("because the world wishes to be deceived"). The phrase first appears in Sebastian Brant's *Ship of Fools* of 1494; it was used by the sixteenth-century papal legate Caraffa, later Pope Paul IV, in the phrase, "Mundus vult decipi, ergo decipiatur" ("the world wishes to be deceived, therefore it will be deceived").

Transactions in shares of Mississippi Company were first conducted from John Law's residence in Paris. As interests mounted, the bourse was moved to Rue Quicampoix, a narrow street soon congested with traffic as speculators flocked to the site. Activity spilled over into the adjoining space, the totality of which is well captured by the German words IN DIE KREVZ UND IN DIE QVER ("in the crossroads and in the by-ways").

*Metrology.* Silver, white metal, and lead (12.95 grams) measuring 31.8 millimeters. Cud on obverse rim at 2 o'clock now further advanced. Rarity 6.

*Literature.* C. W. Betts 123; B. Betts 4; Alexi 4; Wohlfahrt 20007; Grueber 11.

Alexi's rendition of this reverse (his no. 4) contains four slight differences: MVNDVS instead of MVNTVS, LVXT instead of LUSCHT, V instead of UND, and IETZIGEN instead of IETZ'GEN. Benjamin Betts believed that these differences are "too many, apparently, to be the result of careless transcription. There seems no doubt that this was from a different die" (B. Betts 1907: 33), and he assigns it his no. 5. Given that the sources cited by Alexi (Borchmann 1763; Hauschild 1806) were ancient ones and that no example has turned up

since, I am inclined to believe that the piece is apocryphal. Wermuth made medals to order, and the uninspired design of reverse M seems unlikely to have stimulated enough demand to have needed a replacement.
Plate 5 (electrotype in British Museum of original in Bibliothèque Nationale, Paris)

23. *Obverse 19.* On the following piece, Wermuth accomplishes his satire without use of images. He begins by giving a grand introduction: PARIS-| MISSISIPPISCHER-| ACTIEN | GENERAL-DIRECTOR | EST, EST, | LAWS | SCOTUS EDENBURGICUS· | MERCATOR | MONETARIUS | INTRICATISSIMUS | BANQUIER & GENERAL-| CONTROLLEUR· | FINANCIER | TRES-RAFFINÉ | MDCCXX· ("The Director General of the Mississippi stock scheme of Paris is Law; Law is a Scotsman from Edinburgh, a merchant, the most skillful mintmaster, a banker and Controller General, and a very sophisticated financier"). Quite an introduction, but now the inscription on the periphery: QUI MODO CROESUS ERAT·IRUS ET EST SUBITO ("He who once was as rich as Croesus is suddenly a beggar like Irus").[8] Despite his skills and titles, John Law is now penniless. This conclusion is not wholly accurate, but because he never sold any Mississippi shares, Law did lose most of his fortune.
*Reverse O.* Above: FURIAE GALLIARUM NATURA; below: QUOD CITO FIT, CITO PERIT· ("Madness is natural to the French; that which is quickly built, quickly falls"). Inscription in the field in seven lines: TOLLUNTUR | IN | ALTUM | UT | LAPSU | GRAVIORE | RUANT ("They are raised up on high that they may be destroyed by a greater fall" [C. W. Betts 1894: 62]).

At first reading, the obverse and reverse inscriptions seem clever but not profound. However, if these words are put into the context of monarchical government prevalent in Europe three hundred years ago, their boldness becomes apparent: Law is established as an important agent of the Crown if not the power of the Crown itself, following which the provocative statement that all Frenchmen are mad. One can imagine the reaction in Paris when the examples of this type first appeared on the scene.
*Metrology.* Silver (14.36 grams), copper, white metal, and lead (13.48 grams), measuring 32 millimeters. An obverse die break develops at CR of CROESUS, extending upward. Rarity 5.
*Literature.* C. W. Betts 119; B. Betts 13; Alexi 11; Wohlfahrt 20010; Grueber 8.
Plate 5 (American Numismatic Society, New York: 1951.11.4)

24. Previously, the authorship of numbers 24 and 25 has been unknown. The pieces are unsigned, as are most, and in addition the style seems notably

8. Irus is a beggar in the *Odyssey,* whom the suitors support, and whom Odysseus, disguised as a beggar, defeats in a fight.

more formal than is the case with other satirical medals in the series. However, it can now be said with certainty that both pieces are the work of Christian Wermuth: our number 24 is listed by Wohlfahrt (Wohlfahrt 1992: 370), who, in turn, derived her listings from the author's *Specificationes,* or catalogues of designs for sale. Because not all of the medals offered by Wermuth were his own, solid reinforcing evidence is supplied by the fact that numbers 24 and 25 are punch-linked to others of Wermuth's John Law designs.

Accepting that these pieces are the work of Wermuth, the more challenging problem is to explain the change in style. By cutting a massive rim featuring three concentric circles that, in turn, are amplified by an inner, corded circle, the author is stating the importance of what is contained within these rings. That content, described below, is worth all of the study that a patient numismatist may want to devote to it.

*Obverse 20.* To the left is a half-draped woman lying on a chaise. On the table next to her are two glasses and a flask. Facing the woman is a man in a wheelchair, his crutches (or her crutches) and slippers on the floor; the man's head is bandaged; he wears an invalid's robe. Behind them a female figure representing Nemesis, sword in right hand and lighted torch in left, exits stage right. Legend at the top: SVSTINE, | VEL | ABSTINE! ("sustain or abstain", i.e., "hold on or let go", or in Wall Street parlance, "put up or shut up") (B. Betts 1907: 42).

Inscribed around the periphery: QVVM TV SCHADEN HABES, NEC EST OPVS SORGERE SPOTTEN· ("Since you have suffered the injury, you need not worry about [or care for] the ridicule." The chronogram gives the date 1720 [B. Betts 1907: 43]). This translation lacks eloquence but, given the seemingly random mixture of Latin and German words, it is extremely difficult to read the author's exact intent. Another attempt at translation is, "When you have damages yourself, it is not necessary to mock those who need nursing themselves." B. Betts identifies the reclining woman as "a nearly nude female" (B. Betts 1907: 42).

If the scene is to be as important as its impressive frame, the female can only be France and, therefore, the seated figure in the wheelchair with crutches is John Law. Nemesis moves away to the right, having dealt out a severe dose of misfortune. Because she is lying down and is less dressed, France is even sicker than Law, who can at least sit up with arms folded. Perhaps the author is saying: "things are so bad they can't get worse".

*Reverse P.* Above: ANNO QVO AVTOREM EXERCEBAT and below: CERTE PODAGRA ("in the year 1720 [date supplied by chronogram], the author was suffering from gout"). In eleven lines in the field: AVLA | SVVM SERVAT NOCTESQ·DIESQ· | TENOREM, | POTARE INVITI | COGIMVR ABSQ·SITI·| MORIBVS ET PODAGRA, SI | SIC VENIEMVS AD ASTRA, | FRVSTRA SE

CRVCIANT | SOBRIETATE | PII! ("The Court continues the even tenor of its course by night and day [i.e., all the time]; unwilling to do so, we are yet compelled, by thirst, by the customs of the times, and by the gout to drink; if in this way we get to heaven, in vain do the pious torment themselves by their sobriety!" [B. Betts 1907: 44]). Law did suffer from gout, but these biting words damn the entire ruling structure as perpetual drunkards. It would be stretching things to call this medal a temperance piece, yet it clearly mocks the French Court's penchant for the grape.
*Metrology.* Silver (10.87 grams), measuring 32 millimeters. Semicircular die break reverse 8 to 9 o'clock, also through the R of CRVCIANT. No doubt these breaks explain the appearance of Reverse R that follows. Rarity 7.
*Literature.* C. W. Betts 133; B. Betts 16; Wohlfahrt 20006.
Plate 6 (American Numismatic Society, New York: 0000.999.22521)

25. *Obverse 20.* Same obverse as on 24, now a bit more worn but not broken.
*Reverse Q.* This reverse lacks the elaborate rim of reverse P, but the inscription is equally bitter; in fifteen lines: PODAGRA | VAN DE KONINGLYKE | FRANSCHE BEURS | GEPROIECTEERT EN | GETRANSPLANTEERT | IN DE BEURSES | VAN DE | MISISSIPISCHE- | ZUIDE- EN | GENERALE-ASSURENTIE- | COMPAGNIES· | DOOR | LAVS managr. | SAVL· ("The gout of the Royal French Exchange transplanted into the Exchanges of the Mississippi, South, and General Insurance Companies by Law. [Anagram:] Saul"). To the left NOMINA, to the right OMINA, and at the bottom HABENT. ("Names are their own omens"). Benjamin Betts notes astutely: "SAVL as an anagram of LAVS may be assumed to mean that as Saul the King of Israel came to an untimely end by his folly, so Law, the king of finance and speculation, as appeared from his very name, might be taught by that as an omen, that he also would finally come to grief" (B. Betts 1907: 43). Readers need to be reminded, perhaps, that the French pronunciation of Law was "Lass", rendered LAVS in the inscription. That said, most of the words in the above inscriptions are Dutch, with a smattering of Latin. Given the message of the medal, it would have been only prudent to mask its country of origin.
*Metrology.* Silver (10.61 grams, 11.47 grams) and white metal, measuring 32 millimeters. Rarity 7.
*Literature.* C. W. Betts 134; B. Betts 16.
Plate 6 (American Numismatic Society, New York: 0000.999.22522)

## Four Undated Medals

26. In a series that is short on aesthetics, this medal is the shortest. It is crudely engraved, reminiscent of an Admiral Vernon piece, and comes crudely struck.

*Obverse 21.* AVS KVNST . ALLES GEWONEN ("By skill all things are won"). A full-length figure of Law, in court costume complete with sword, faces to the front. In his right hand is a bulging purse, a symbol of his gambling prowess.
*Reverse R.* AVS . VNGLICK . ALLES . VERLOHREN ("By bad luck, all things are lost"). A sorrowing woman (presumably France) slumps over the table next to which she is seated, her right arm holding a handkerchief to presumably tearful eyes. This picture of grief might be more eloquent if any facial details were present, but even on well-struck examples, they are not.
*Metrology.* Silver (14.27 grams), measuring 35.0 millimeters. Rarity 6.
*Literature.* Not reported by Alexi, Grueber, or either Betts.
Plate 6 (private collection)

27. *Obverse 22.* Same design as obverse 19 but smaller in diameter.
*Reverse S.* Same design as reverse R but smaller in diameter.
*Metrology.* Silver (8.03 grams) and white metal, 28.0 millimeters. Reverse rim cud 3 o'clock to 5 o'clock. Rarity 6.
*Literature.* C. W. Betts 129; B. Betts 35.
Plate 6 (American Numismatic Society, New York: 1892.37.12)

28. *Obverse 23.* Benjamin Betts sees a conspiracy taking place: "Two soldiers of the guard, each with battle-axe and sword, are standing facing each other; the one on the left, about to commence his rounds, holds his hat before his face in token of secresy; the other, with his hat under his arm, his term of duty being ended, holds in his hand behind him a bag of money; he is repeating to the new-comer the watchword, and a hint that if he is discreet, he also may have money when his turn comes to be relieved" (B. Betts 1907: 58). Inscribed above: GELD IST DIE LOSUNG ("Money is the watchword"). The term "Losung" has multiple meanings in this context, so the statement can also be read as "Money is the answer" or "Money is the solution". Below: ABER ("But...")
*Reverse T.* A sad old man standing in court dress points with his right hand to an uplifted purse in his left; coins are falling out of the purse from a hole in the bottom. Legend above: WIE'S KOMMT SO GEHT'S . ("As it comes, so it goes"). Below in two lines: NULLA BLEIBT | ÜBRIG· ("Nothing remains left over"). The style is similar to that of Wermuth, even to the phrase GELD IST DIE LOSUNG, also used in a 1707 design (see S-11 below). However, the letter placement is more careless than one would expect from a master. Even so, Bruno Kirschner unhesitatingly attributes this piece to Wermuth, but cites no authority for his attribution. He places the piece in his series of Jewish satirical medals, but concedes that the fit is a loose one (although the beard, the hat, and the antique garb of the old man were standard depictions of Jews in this period). We think that the fit is very loose indeed given

that Wermuth could convey biting anti-Semitism when he chose but has not done so here. Our rationale for maintaining this medal in the John Law series is that the themes embodied in the inscriptions fit very well with post-Bubble sentiment. Nonetheless, the notion that "money is the solution" is too universal to be attributed to any category with certainty, especially when a date is lacking.

*Metrology.* Silver (14.17 grams, 14.38 grams, 14.91 grams, 15.26 grams); 37.8 millimeters in diameter. Rarity 6.

*Literature.* C. W. Betts 120; B. Betts 32; Alexi 19.

Plate 6 (American Numismatic Society, New York: 1892.37.10)

29. This variety, which bears no date, was discovered by Daniel Parish, Jr. (Kirschner [1968]: 36). Moreover, it is by the hand of a "new" engraver, more deliberate than Wermuth, working in higher relief, which, in turn, permits more detailed facial expressions. The legends and imagery place this design squarely in the John Law series.

*Obverse 24.* Legend around the periphery: RISIT STVLTITIAM TEMPORIS ILLE SVI ("he laughed at the folly of his times" [C. W. Betts 1894: 72]). A happy, bearded old man emits a broad toothy smile. The globe beneath him suggests that his happiness is the result of his broad perspective.

*Reverse U.* Legend around the periphery: TEMPORIS ILLE SVI CASVS ET CRIMINA FLEVIT ("he wept over the disasters and crimes of his time"). A clean-shaven old man in simple garb weeps copiously. The globe below him portrays the North Pole and southward, suggesting a bleak climate in contrast to the obverse. The meaning of the inscriptions, both obverse and reverse, are quite clear, but other interpretations of the imagery could be made. Designs that cause the numismatist to stop and ponder contribute to the charm of the series.

*Metrology.* Silver (10.56 grams), measuring 28.0 millimeters. Rarity 7.

*Literature.* C. W. Betts 136; B. Betts 36.

Plate 7 (private collection)

## Four Medals Dated 1721

30. This is prototypical Christian Wermuth—a crude design wrapped in a labyrinth of wit. The wit is not easily deciphered; in the eloquent words of the editors of C. W. Betts, "It is clearly impossible to give a rendering of the legends and the inscriptions on these pieces...the 'Latin' is anything but Latin...the inscriptions were composed by one ignorant of the language or are wrong by intention" (C. W. Betts 1894: 61n). To the present author, the grammar and spelling may be execrable, but the meaning seems pungently clear.

*Obverse 25.* Be-wigged bust of John Law facing. In two circles: MELAC

REDIVIVVS SINE | IGNE ET LIGNO GRASSANS, | IN CRVMENAS EVROPAE CASSAS ET TOTAS EXENTERANDAS. B. Betts translates the inscription: "Melac revived, marching, without fire or wood, upon the purses of Europe, emptying and turning them inside out" (B. Betts 1907: 44). Grueber describes Melac as "a French general and field marshal, who commanded in Germany in the war of 1689, and was noted for slaughtering the inhabitants...."(Grueber 1904–11: commentary on plate 144). The outside line contains a chronogram for 1720, the inside line for 1721, thus placing this medal toward the end of series.

On and below the bust: ERGO IEAN LAW·| HIC NIHIL | EXPECTES· ("Therefore, John Law, you should expect nothing here"). Wermuth saved some of the best for last because the comparison of Law's impact on personal finances with Melac's destruction in the Palatinate is a devastating one. Authors who composed such biting commentary did well to remain anonymous.

*Reverse V.* Legend above: LAVS TIBI ET IMPOSTOR CORVOS ELVDIS HIANTES ("Praise to you Law, impostor that you are; you have escaped the open mouths of the ravens. The date 1720 is expressed in chronogram" [B. Betts 1907: 45]). Then follows an eighteen-line inscription, pregnant with subtleties, in Latin as follows: ITA | ACTVM EST | CVM IIS QVI | AVGENDAE PECVNIA CAVSA | ACTIORVM NOMINE | CHARTAS CAPTABANT PECUNIATAS | LITTERATA CHARTAE OSORES | INGNIOSAE PECUNIAE CONTEMTOR | PRO AVCTO TANDEM ACTVS CENSV | CREDITORVM CENSVRAM | PRO PECVNIA CHARTAS | PRO LAQVEARIB· LAQVEOS HABENT | ET DVM PAVLVM NON | SED SAVLVM AVDIVNT | IVDAM SEQVNTVR | ET CVM HOC FIVNT | LITTERA | LONGA· Benjamin Betts makes a literal translation: "so it is all over with those who, for the sake of increasing their wealth, sought after moneyed papers, under the name of shares. Now they are haters of the lettered paper [literary papers]. Despisers of honest money, at last, instead of increased wealth, they have the censure of their creditors; instead of good money, they have only paper; instead of fretted [paneled] ceilings, they have halters; and while listening not to Paul (as they suppose) but to Saul, they are following Judas, and with him they will become a long letter," i.e., they will be hung (B. Betts 1907:46).

Although Wermuth uses a lot of words to make the point that paper money is evil, he wraps his message in delicate shades of meaning that are well described by the editors of C. W. Betts: "It is not possible in a translation to give the contrasts in sound of the Latin words; but the following may properly be noted. ACTVM is used for its similarity with Actien, the word denoting stocks; PECVNIATAS CHARTAS, moneyed papers, i. e. bank bills, is contrasted with LITTERATA[S] CHARTAS, lettered papers, i. e. books;

... PRO AVCTO CENSV, literally, 'instead of an increased rating of property,' where census, 'the rating,' is contrasted with censure. LAQVEARIB[US] 'paneled ceilings,' as adornments of a palace, contrasted with LAQVEOS, 'snares,' and alluding to the duty of rich men, as declared by St. Paul to Timothy... which is also hinted at in the next line of the inscription, DVM PAVLVM, etc. LITTERA LONGA, i. e. the letter I is used as an emblem of the body of Judas, who hung himself..." SAVL seems to have a double meaning and is probably an anagram of LAVS [i.e., Law, in French], and finally, LAVS TIBI in the outer legend are the first words of the introit which precedes the reading of the gospel in the service of the [Roman Catholic] church (C. W. Betts 1894: 70).

The reference to ravens in the outer legend was explained by Benjamin Betts: "I was for a long time sorely puzzled as to the meaning of Law's fortunate escape from the ravens.... The central design in plate No. 20 of 'Het Groote Tafeerel der Dwaasheid,' seems to solve the riddle. It apparently refers to an attack of insanity with which Law was threatened in March, 1720, as shown by the following extract from a letter of Lord Stair (the English Ambassador)... 'Law's head is so heated that he does not sleep at night.... He gets out of bed almost every night, and runs stark, staring mad about the room...'" (B. Betts 1907: 46). Why eighteenth-century Europeans connected ravens with insanity is obscure, but the linkage was well accepted.

We quote at length to help modern collectors to understand the richness of the verbiage employed. Whereas Wermuth's John Law medals are ephemeral commentary—few people today doubt the utility of paper money—they provided the well-educated people of those times with humor that could be savored at leisure and which rewarded the time invested in deciphering the message. The contrast between the aesthetics of the medal and the quality of its contents is extreme. The irony implicit in that contrast is, no doubt, part of the satire.

*Metrology.* White metal (27.57 grams) measuring 43.6 millimeters. Rarity 7.

*Literature.* C. W. Betts 132; B. Betts 18; Grueber 13; Wohlfahrt 21 006.

Plate 7 (private collection)

31. *Obverse 25*, as on no. 30.

*Reverse W.* Around the periphery above: IN ACTIIS MISSISIPPEIS ET BILLETIS; around the periphery below: CAETERA TEXTVS HABET · Inscribed in the field in eleven lines: GALLI | NARRARVNT | ET NOS | NARRAVIMVS OMNES | ANGLVS ET HOLLANDVS | FRANCFVRT NORIBERGAQ | ET HAMBVRG | AVGSPVRG ET SVA QUI | VOLVERVNT | DAMNA | SILERI · All three of the early commentators had difficulty translating these words; C. W. Betts and Grueber merged the words on the periphery with those in the

center; Benjamin Betts separated the periphery and the field, but his rendering of the former does not read well. The spacing of the letters argues for separation and, if so, the general sense of the periphery would be: "In shares of the Mississippi Company and its bank notes, the System has all that remains." For the field: "The French have told, and we all have told (the story); the Englishman and the Dutchman, and (the people of) Frankfort, Nuremberg, Hamburg and Augsburg, and those who have thought over their losses, are advised to be silent" (B. Betts 1907: 45–46). The text on this reverse clearly is more cautious in tone than our next number, a clue which could be used to place it either before or after in the sequence. However, the fact that this number is known in silver and the other is not might suggest that when it came time to strike 31, Wermuth judged that the obverse die was too weak to handle any but the soft metals. Some day, a specimen with a die break will surface, putting an end to our speculation.

*Metrology.* Silver and white metal, measuring 43.4 millimeters.

*Literature.* C. W. Betts 117; B. Betts 17; Alexi 2; Grueber 12; Wohlfahrt 21005. Rarity 7.

Plate 7 (private collection)

32. No previous writer has speculated on the origin of this medal. However, the punches, the date in chronogram, and the beaded border are strongly reminiscent of Christian Wermuth. Certainly, the biting wit is worthy of the savant from Leipzig.

*Obverse 26.* In the center of the design there is an upright banner on which are four words: AB | ACTIS | AD | FACTA ("From theory to practice"). Legend: REDDENDA EX ACTIS LAVS LAVSO. ("Praise should be rendered to Law according to his works" [B. Betts 1907: 48]). ACTIS is a double entendre in that it can also mean "shares". The date, 1721, is in chronogram). In exergue in five lines: ROMAM CVM PETERET IA | NVARIOM·MISSIONIS | AMERICANAE AVTOR | ACTOR ET | FACTOR· ("In the month of January 1721, when the author, promoter, and executive of the great American mission went to Rome"). On the face of these inscriptions, there is no satirical content. Rather, the author captures the various roles that Law plays: theoretician, promoter, and entrepreneur, setting the stage for the reverse.

*Reverse X.* In ten horizontal lines: SPARSVS | IN ORBEM | VT REDEAT NVMMVS, | PROVIDVS ILLE FACIT: | AVREVS ATQVE ARGENTEVS | ET LVDOVICUS ET INDOS | CHRISTIANOS FACIAT, | SEDVLVS | EFFICIET· (The wording is a bit disorganized, but freely translated: "the deflation in the price of Mississippi Company shares is matched in folly by the king's dream of using the dregs of French society to convert the American Indians to Christianity"). Wermuth, if indeed it was he, was treading on very thin ice.

Delicately executed with beading around both obverse and reverse borders. *Metrology.* White metal, measuring 35 millimeters. The only specimen currently located belongs to Yale University, the gift of C. W. Betts. Rarity 8. *Literature.* C. W. Betts 141; B. Betts 20; Alexi 15.
Plate 7 (Yale University, New Haven)

33. *Obverse 27.* Legend in two lines above: BEATVM DIC SINE ACTIIS PATERNA RVRA | QVI AGITAT. ("Call him happy who owns no shares but cultivates his paternal fields". Date, 1720, in chronogram). Under lazy clouds, a farmer uses his whip to drive a team of horses to pull his plow. In exergue: POST NVBILA PHOEBVS | DVM ABIIT LAW A PARIS | IN SOLSTITIO LVNAE | D XIX·DECBR·| XX· ("The sun appeared from behind the clouds when Law left Paris during the winter solstice of the moon, 19 and 20 December 1720").

The simple message of the obverse is that things returned to normal when Law left Paris. The Bettses both see incremental subtleties, which may or may not be intended but which, in any event, are not necessary to make the point (C. W. Betts 1894: 72n; B. Betts 1907: 47n).
*Reverse Y.* Inscription in eleven lines: SPES | MALA | DAT LAQVEOS | AVCTIS | PRO | REBVS AVARO | I·TIM·VI· | V·6·INCL·12 | 17·18·19· | C·W· ("The lust of an avaricious man proves a snare rather than leading to riches, 1 Timothy 6: 6–12, 17–19". C. W. for Christian Wermuth; date, 1721, in chronogram). Wermuth's Latin phrase appears nowhere in the text of the Latin Vulgate translation of the Bible; it approximates most closely verse 9: "Nam qui volunt divites fieri, incidunt in temptationem et laqueum et desideria, multa inutilia et nociva, quae mergunt homines in interitum et perditionem" (an English translation of the entire passage of the Epistle to Timothy is below).

In the verses cited, the sentiments that Paul expresses to Timothy are varied. Verse 6 avers that religion or goodness brings riches to those who are content with what they have. Verse 10 raises the familiar refrain that money is the root of all evil. Verses 17 through 19 warn the rich not to look down upon the poor, emphasize that money is untrustworthy and that sharing is the way to create capital. In the King James Version, the verses read:
6 But godliness with contentment is great gain.
7 For we brought nothing into this world, and it is certain we can carry nothing out.
8 And having food and raiment let us therewith be content.
9 But they that will be rich fall into temptation and a snare, and into many foolish and hurtful lusts, which drown men in destruction and perdition.
10 For the love of money is the root of all evil: which while some coveted after, they have erred from the faith, and pierced themselves through with many sorrows.

11 But thou, O man of God, flee these things, and follow after righteousness, godliness, faith, love, patience, meekness.
12 Fight the good fight of faith, lay hold on eternal life, whereunto thou art also called, and hast professed a good profession before many witnesses.
17 Charge them that are rich in this world, that they be not highminded, nor trust in uncertain riches, but in the living God, who giveth us richly all things to enjoy,
18 that they do good, that they be rich in good works, ready to distribute, willing to communicate;
19 laying up in store for themselves a good foundation against the time to come, that they may lay hold on eternal life.

If one were delivering a sermon in 1721, no other passage in the Bible would prove so apt. Clearly Wermuth was a master of the medium.
*Metrology.* Silver, measuring 32 millimeters. Rarity 7.
*Literature.* C. W. Betts 135; B. Betts 19; Alexi 6; Wohlfahrt 21 004.
Plate 7 (Münzkabinett Dresden, Inv.-Nr. 768)

It is fitting to conclude a list of John Law medals with the only design signed by Wermuth. Because the content refers to the now disgraced Law and not to the state, the artist no doubt deemed it safe to reveal his authorship. Whether this was his sole motive or not, we are indebted to the artist for confirming his involvement.

# – 5 –
## Associated Pieces

The following list of associated medals falls into three categories. The first, comprised of S-1 and S-2, contains candidates for inclusion in the regular list. However we have seen examples of neither design, nor have previous authors on the subject. Since the inscriptions lack direct reference to John Law, the pieces must go on probation until specimens are available for direct examination.

The second category, comprised of S-3 through S-6, consists of near relatives to the John Law series. The final category, our numbers S-7 through S-18, have been listed by one or more previous writers but, in our opinion, incorrectly so. We include them to provide continuity, as well as out of a sense of nostalgia.

S-1. The following piece is listed as part of lot 688 in the Montagu Sale of 24 May 1897. To our knowledge, it or its like has not appeared as a John Law medal since that time.

*Obverse.* Legend not given. Described by Sotheby's as "an escutcheon with following arms, two Scotsmen at sides of a coffer, emptying water out of a vessel" (Sotheby, Wilkinson & Hodge 1892: 112).

*Reverse.* "MANN SEZT. SICH. NICHT. FVR. MAAS. & etc." ("They place no amount nor limit on. . . .").

The primary argument in favor of this piece is the reverse motto, which is shared with our numbers 9 and 13. However, it could not be from the same die because the diameter is different from either of the foregoing. Also supportive is its inclusion in the John Law series by the distinguished Mr. Montagu.

Unfortunately, the cataloguing by Sotheby's is terse, omitting obverse motto, full reverse motto, reasons why the figures are Scotsmen, and any interpretation of the scene depicted. This century-old puzzle will be resolved only with the appearance of another specimen or by the discovery of this same design in another series.

*Metrology.* Silver, measuring 29 millimeters. Rarity 8 (as a John Law medal).
*Literature.* Lot 688 in Sotheby's Montagu Sale of 24 May 1897.
Not illustrated

S-2. *Obverse.* "Seated man, dog, cornucopia from heaven" (Christensen 1967: 13). No date.
*Reverse.* "Legend in seven lines" (Christensen 1967: 13).
This piece appears in the Christensen sale cited below, where it was purchased by Ted Craige, from whose estate it was acquired by John J. Ford, Jr.

By inference, both collectors accepted this medal as part of the John Law series. Nonetheless, neither Craige nor Ford had access to a great deal of material now available. As with S-1, it will be necessary to examine an original specimen in light of this new material before a more certain classification can be made.
*Metrology.* Silver, measuring 22 millimeters.
*Literature.* H. Christensen sale, 20 September 1967, lot 292.
Not illustrated

S-3. This piece qualifies as "associated" in that two renowned numismatists have included it in the series. Jacques Schulman, in cataloguing the Fernand David Collection (Schulman 1930), describes lot 274 as a "satirical medal on John Law and the Mississippi Company." Lot 274 is struck in silver but lots 275, 276, 276a, and 277 contain no less than seven specimens in bronze and one in pewter. Thus, our S-3 is relatively common, especially compared to the five previous John Law medals in the David sale, which the cataloguer rates as rare to very rare.

Benjamin Betts lists this medal as his number 37, although he is quick to point out that it does not belong to the series. He cites a note in the American Journal of Numismatics quoting Alphonse de Witte, which reveals the following: "This medal was struck in France towards the close of the reign of Louis XIV, as the decoration for a Society of the gay courtiers of that monarch, who called themselves 'The Regiment de la Calotte' [Regiment of the Skullcap]. . . . This Society proposed to reform the customs and the style of their time by turning everything into ridicule" (*AJN* 1889: 88).
Obverse. "Folly facing, enthroned amidst the clouds, holding in his left hand a fool's bauble. He wears a crown and the traditional costume of the Court fool,—the slashed doublet with bells on its points" (B. Betts 1907: 66–69). The legend: RIDERE REGNARE EST ("to laugh is to rule"), signed below *J. C. Roettiers fecit*. One wonders whether the gay courtiers later expressed themselves on John Law, either before or after the crash.
*Reverse.* A very busy design featuring a fool's coat of arms, the symbolism of which is described in detail by Benjamin Betts (1907: 69). The legend: LUNA

DUCE AUSPICE MOMO. ("the moon is our leader and Momus [the god of nonsense] is our guide").
*Metrology.* Silver, bronze, and white metal measuring 44 or 45 millimeters.
*Literature.* B. Betts 37.
Plate 8 (American Numismatic Society, New York: 1914.999.172)

S-4. The following piece was submitted by Ms. C. J. M. Schulman-Ruhé of Laurens Schulman B.V. It does not refer to John Law directly, but it is of the period (1720) and celebrates thankfulness for limitations on stock trading outside the capital of Holland. Presumably, these limitations spared the Dutch from a Mississippi Bubble and/or a South Sea Bubble in their country. However, Arthur Cole estimates that illicit stock offerings in smaller cities outside Amsterdam cost the populace 350,000,000 guilders (Cole 1949: 46). Dutch investors were not as sober as this medal implies.
*Obverse.* Legend: HOC MONSTRA REPELLO ("Thus I drive away the monsters"). Below the legend in a busy scene, "Mercury attacked by Harpies, tortured and shackled, is released by Bellerophon seated on Pegasus, by showing the shield with the arms of the City of Amsterdam. Above, a clouded sun and in the distance the cogschip, the emblem of the city, driven by the winds" (Description by Laurens Schulman B.V., letter of 28 March 2002). In exergue: ANNO MEMORANDO.
*Reverse.* Legend in eight lines: POSTERITATI. | MERCATVRA | AB | IGNOTO MONSTRORVM | GENERE | PROVIDO CONSILIO | LIBERATA | M.D.CC.XX. ("For Posterity: Commerce freed from an unknown variety of monsters by prudent counsel").
*Metrology.* Silver, measuring 53 millimeters.
*Literature.* VvL 70.
Plate 8 (VvL 70)

S-5. In modern times, this medal has been the source of some confusion. In its sale of 3 December 1980, lot 306, Sotheby's catalogues the piece as commemorating the Banque Générale (founded by John Law in 1716). The same specimen was re-offered in LaRivière III (15–17 March 2001) lot 2045, where the cataloguer adopts Sotheby's attribution.

There is no obvious link between this design and the Banque Générale. Indeed, Louis XV, who is depicted on the obverse, had declined very specifically (via the regent's council) any participation in the enterprise. Further, John Law's institution was founded in order to lessen the country's dependence on gold and other specie, not to celebrate precious metal, as the reverse motto would appear to do.

Though seemingly simple, the reverse motto—AMAT AUREA CONDERE SAECLA—is susceptible to various translations. Two of our well-educated

peers rendered it as follows: "He who loves to live long golden years"[1] and "exalted king creates the golden age(s)."[2]

The need to speculate on the purpose of the medal or the intended translation of its motto is eliminated by reference to earlier sources. Nicolas Godonnesche and G. R. Fleurimont assembled a series of prints of reverse designs on Louis XV medals, dedicating it to the king sometime before the latter's death. They call this particular design "Le Bonheur de la France" ("The Happiness of France"), translating its motto as "C'est elle qui fait les Siecles d'Or" (Godonnesche and Fleurimont 1748?) ("It is she who brings the golden centuries").

A somewhat later source, *Médailles françaises au Musée Monétaire* (1892), also describes the subject being commemorated as "Le Bonheur de la France," giving the identical translation of the motto. However, this listing of the reverse has a different obverse, which we describe under S-6 below.

*Obverse.* Bust of a very young Louis XV in classical costume with laurel wreath. The legend: LUDOVICUS XV·D·G·FR·ET·NAV·REX ("Louis XV, by the grace of God King of France and Navarre").

*Reverse.* The standing figure of a resplendent goddess with scales of justice in her right hand, and coins pouring from a cornucopia in her left hand. The motto as mentioned above: AMAT AUREA CONDERE SAECLA.

*Metrology.* Silver and bronze, measuring 44.7 millimeters.

*Literature.* Godonnesche and Fleurimont; *Médailles françaises au Musée Monétaire;* as well as the two auction references cited above.

Plate 8 (Sotheby's, 3 December 1980, lot 306)

S-6. *Obverse.* Legend: PHILIPP.AURELIAN.DUX.REGENS. ("Philip, the Duke of Orleans and Regent of Louis XV") ("Bust of the Regent, three-quarters view, bareheaded, large wig, wearing antique garb" [trans. from Administration des Monnaies et Médailles 1892: 211). This medal is not figured in the source cited, but it is easy to imagine a bewigged regent in cuirass and paludamentum.

The obverse is signed ROG.F below the bust for Michael Roeg. According to Forrer (1902–30: vol. 5 pl. 147), Roeg was attached to the service of the Duke of Orleans after the death of Louis XIV.

*Reverse.* Legend: AMAT AUREA CONDERE SAECLA.; date M.DCC.XVI. in exergue. The description in *Médailles françaises* is particularly eloquent: "Astrée descendue du ciel sur un nuage, tient d'une main les balances de la justice et de l'autre une corne d'abondance, dont elle déverse les richesses

1. Ferdinando Bassoli, who found the expression "condere saecla" in Lucretius (*De rerum natura* 3.1088).

2. Ron Haller-Williams, who notes the phrase "aurea condet saecula" is incorporated in two lines of Virgil's *Aeneid* (6.792–793).

sur la terre" (Administration des Monnaies et Médailles 1892: 211) ("The goddess Astrea, having descended to the earth on a cloud, holds the balances of justice in one hand and in the other a cornucopia, from which she pours riches upon the earth").

The reverse bears the maker's mark of BAER.F. This engraver is not known to Forrer, which is puzzling given the high quality of the work. An earlier work, *Catalogue des poinçons, coins et médailles du Musée Monétaire,* published in 1833, notes Roeg's initials on the obverse but mentions none on the reverse (Musée Monétaire 1833: 211).

*Metrology.* 41 millimeters.

*Literature. Catalogue des poinçons, coins et médailles du Musée Monétaire; Médailles francaises au Musée Monétaire,* p. 211.

Not illustrated

Numbers S-7 through S-18 were all executed by Christian Wermuth. They are dated variously 1699, 1701, 1702, 1707, and 1736; none is dated 1720. Notwithstanding the lack of a "proper" date, Alexi, both Bettses, and Grueber all include one or more of these twelve in their respective lists. That this group of worthies could have been lured into making mistakes is quite understandable: the style is reminiscent of other Law medals, added to which the mottoes—CREDIT ist MAUßE-TODT ("credit is as dead as a mouse"), BANQVERODT ist A LA MODE ("bankruptcy is fashionable") and WEXEL BRIEFE ("letters of exchange")—all reference a financial theme.

Alexi asterisks the date MDCCI, explaining in a footnote: "Ein Stempelfehler, soll 1720 heissen" ("a mistake in the die, should be 1720") (Alexi 1885: 63n). Charles Wyllys Betts is of like mind: "MDCCI (an error in the die for MDCCXX)" (C. W. Betts 1894: 60). Grueber's rationalization is slightly different: having declared that our S-7 was struck upon Law's flight from France, he opines "Across the waist of Law is inscribed the incomplete date MDCC..." (Grueber 1904–11: description for plate 144 no. 14).

Benjamin Betts lists more die combinations from this group—seven compared to four for C. W. Betts, two for Alexi, and one for Grueber. Perhaps because he had seen more pieces, he was more suspicious. While including these designs in his list out of deference to earlier authors, he notes, "Of course, if the dates upon the medals are correctly engraved, they antedate the advent of Law by several years, and the pieces must be excluded" (B. Betts 1907: 56n). It is all well and good to attribute evidence that doesn't fit to an engraver's error. However, this explanation begins to run thin when, as happens with this grouping of medals, an obverse dated 1702 is married with a reverse whose date in chronogram is 1736. Just as the explanation runs thin, so too does Betts's deference to earlier authorities. Under a later number in his list, he adds the following footnote: "Alexi...had not seen the original, but followed an earlier authority, and our assignment rests solely on his

opinion; but the dates on both the dies have no reference whatever to the downfall of the System, so that the correctness of his judgment seems to be questionable, to say the least. Indeed, these seven pieces... seem rather to belong to the class of tokens known as spiel-marks or game counters..." (B. Betts 1907: 57). From time to time, Christian Wermuth issued *Specificationes* (what we call "catalogues") from which his agents could order medals currently in stock. In the Specificatio of 1698, the design entitled "Credit ist Maußetodt" first appears (Wermuth 1698). Clearly, this design has nothing to do with John Law. Nor do the subsequent "engravers' errors". Nor does any one of the dozen die combinations that we will list below. Rather, these pieces emanate from Wermuth's whimsical using, reusing, and reworking of his die inventory over a period of four decades.

It should also be noted that the *Specificatio* of 1698 makes CREDIT IST MAUßETODT the obverse and BANQUERODT IST A LA MODE the reverse of the piece, as do subsequent *Specificationes*. Not having access to this source of information, C. W. Betts, B. Betts, Alexi, and Grueber all grant BANQVERODT the honor of the obverse position, probably because this side bears the date.

Our list contains twelve distinct varieties. Doubtless there are more, such as the piece in the 1698 *Specificatio* that we have never seen. In order to import some clarity to a confusing mélange, we will affix Roman numerals to the obverses and small letters to the reverses.

S-7. *Obverse I.* Legend: CREDIT ist Maußе-todt ("credit is as dead as a rat"). Below, a man lies face down on the ground, in his left hand a briefcase marked WEXEL ("exchange") and in his right hand a caduceus such as was carried by Mercury, the god of merchants.
*Reverse a.* Legend around the periphery: BANQVERODT ist A LA MODE ("Bankruptcy is the fashion"). In the center, the waist-length figure of a man in cocked hat facing to the rear. To either side VISIBILIS and INVISIBILIS ("now you see him, now you don't"). At his waist the date: MDCIC.
*Metrology.* Metal not given, 26 millimeters. Rarity 6.
*Literature.* Wohlfahrt 99035.
Not illustrated

S-8. *Obverse I.*
*Reverse b.* Same as reverse a but now the date is MDCCI.
*Metrology.* Silver, bronze, and lead, measuring 27 millimeters. Rarity 6.
*Literature.* B. Betts 25.
Plate 9 (American Numismatic Society, New York: 1892.37.9)

S-9. *Obverse II.* Same legend but CREDIT is in cursive lettering. The label on the briefcase has been expanded to WEXL BRIEFE ("bills of exchange").
*Reverse b.*
*Metrology.* Silver (7.23 grams), white metal, bronze, and lead (7.28 grams),

measuring 27 millimeters. Rarity 5.
*Literature.* C. W. Betts 115;[3] B. Betts, 26; Alexi 10-(1); Grueber 14; Wohlfahrt 01021.
This number appears to be the most common of the twelve-piece series.
Plate 9 (American Numismatic Society, New York: 1892.37.8)

S-10. *Obverse II.*
*Reverse c.* Same design as reverses a and b, but now the date is MDCCII.
*Metrology.* Silver, measuring 27 millimeters. Rarity 7.
*Literature.* C. W. Betts 116; B. Betts 27; Alexi 10-(2).
Plate 9 (Alexi 1885: plate 1 no. 5)

S-11. As we move into the year 1707, Wermuth starts to mix things up.
*Obverse III.* The same general design as Obverse II with CREDIT in script but the label on the briefcase has shrunk to WEXEL only. In addition there are small differences in the caduceus. This is a new die.
*Reverse d.* Legend: K·T·N·G·I·I·D·W) EIN IEDER SPRICHT: HAETT ICH NUR GELD! B. Betts (1907:58) gives no guess as to the meaning of the first five letters, but speculates that the three following are the initials of the engraver. ("Everyone says: If I only had money!"). In the field, the inscription in six lines: *** | GELD | IST | DIE | LOSVNG | I.D.W. | 1707 ("money is the watchword, I.D.W. 1707").

Wohlfahrt renders the initials I·D·W as "in der Welt" (Wohlfahrt 1992: 267) ("In the world"). We are inclined to accept this interpretation in that Wermuth is not known to have used these initials on other pieces. We are still left to guess the meaning of K·T·N·G·I·
*Metrology.* Silver (7.18 grams) and white metal, measuring 27 millimeters. Comes with a perfect reverse die as well as with a big vertical break, 2 o'clock to 4 o'clock. Rarity 6.
*Literature.* B. Betts 31; Wohlfahrt 07055.
Plate 9 (American Numismatic Society, New York: 1892.37.17)

S-12. *Obverse IV.* Legend around the periphery: * GELD DAS FÜNFFTE ELEMENT·IEZT REGIERET ALLE STAEND ("Money, the fifth element, rules everything that exists"). In the center, a hand reaches down from a cloud holding bags of money; two hands on either side reach up for the money, a third hand in the center grapples for it with a hook.
*Reverse d.*
*Metrology.* Copper, measuring 26 millimeters. Rarity 8.
*Literature.* Wohlfahrt 07054.
Plate 9 (Schlossmuseum Gotha)

3. C. W. Betts describes CREDIT as being in block letters, which is probably a mistake. Both Bettses report WEXEL, whereas Grueber and Alexi report WEXL.

S-13. *Obverse IV.*

*Reverse e.* The legend is rhyming couplets in German: Allenthalben in der Welt fehlets nur am lieben geld | Welches gar zu harte hält, und doch jedem wohlgefällt | MDCCVII ("All over the world, there is a lack of money. Money is difficult to obtain, but everybody loves it, 1707").

*Metrology.* 25 millimeters. Rarity 8.

*Literature.* Wohlfahrt 07056.

Not illustrated

S-14. *Obverse IV.*

*Reverse f.* Legend around the periphery: PAX PAX DICENTES ET TAMEN NVLLA PAX IER.VI 14. ("They say 'Peace, Peace', yet there is no peace. Jeremiah, Chapter 6, verse 14. The date expressed in chronogram is 1736" [Betts 1907: 57]). The full text of this verse in Jeremiah in the Vulgate is: "Et curabant contritionem filiae populi mei cum ignominia, dicentes: Pax, pax: et non erat pax." The King James translation reads: "They have healed the hurt of the daughter of my people slightly, saying, 'Peace, peace; when there is no peace.'" As so often, Wermuth misquotes his source, partly to save space, partly to make a more compact summary of the original text, and partly, also, because he was a slave of his chronograms.

In the field in nine lines: * 2 * | SCHAV | PFENNIG | GROSCHEN. | FIAT | IVSTITIA | AVT | PEREAT | MVNDVS * ("Commemorative medalet. Let justice be done or the world will perish.") The last phrase is misquoted, with "aut" substituted for "et". The proper quotation is, "Let justice be done even though the world should perish", privileging justice above all other qualities; it was a favorite motto of the Holy Roman Emperor Ferdinand I (1556–64).

This die differs from others in that it is dentillated around the periphery and sloppily executed overall. Perhaps Wermuth handed the task to an apprentice; perhaps he was just getting old.

*Metrology.* Bronze, measuring 25.1 millimeters. Rarity 6.

*Literature.* Wohlfahrt 36006.

Plate 9 (Münzkabinett Dresden, Inv.-Nr. 23648)

S-15. *Obverse* is our reverse b.

*Reverse f.*

The motivation for combining an obverse dated 1701 with a reverse dated 1736 must remain obscure. This whimsical piece must not have been a popular offering because it is reported by Benjamin Betts only. No examples have surfaced in modern times.

*Metrology.* Bronze (7.21 grams), measuring 27 millimeters. Reverse die buckles, develops large rim failure from 5 o'clock to 8 o'clock. Rarity 7.

*Literature.* B. Betts 28.

Plate 9 (American Numismatic Society, New York: 1892.37.16)

S-16. *Obverse III.* (CREDIT is cursive).
*Reverse f.*
*Metrology.* Bronze (7.31 grams), measuring 27 millimeters.
*Literature.* C. W. Betts 139; B. Betts 29.
Not illustrated

S-17. *Obverse V.* In exergue: O CONSTITUTION O ACTIEN ("Oh Constitution, Oh Shares"). Above there are three figures ( C. W. Betts 1894: 73; B. Betts 1907: 57), but neither Betts elaborates. Benjamin Betts confessed that he had not seen the piece, relying instead on Alexi who, in turn, relied on an earlier source (Betts 1907: 56; Alexi 1885: 66; Welzel von Wellenheim 1845: no. 14085). With no examples surfacing in the interim, this number must be extremely rare if not extinct.
*Reverse g.* Same as reverse f, but Wermuth removes the 2 separating the two rosettes in the legend.
*Metrology.* Bronze, measuring 27 millimeters. Rarity 8.
*Literature.* C. W. Betts 138; B. Betts 30; Alexi 17.
Not illustrated

S-18. This, the last medal in our supplemental series, is quite possibly the earliest. Though undated, the eloquent poem on the reverse provides a clue: the lament of a penniless artist, if autobiographical, would only have been applicable to Wermuth in the decade prior to 1694. By the end of the year 1694, this busy engraver owned a house complete with domestic staff as well as a valuable coin collection (Wohlfahrt 1992: 19). However, the poem can be read also as not a complaint of poverty, but a reminder to his customers that in a time of scarce credit, Wermuth expected to be paid in good hard money for his medals.
*Obverse II.*
*Reverse h.* Legend in twelve lines of German: Zu verschenken ist hier nichts | sondern alles zu verkauffen | borgen ist jezt sehr gefährlich | diese Wahre rufft baar Geld | ich kan gar nichts mehr verborgen | weil kein Glaube in der Welt | viel verborgen machet offt | daß der Künstler muß entlauffen | gönnt der Käuffer mir nun nicht | daß ich selber sey verdorben | mach er sich auf Geld gefast | der Credit der ist gestorben ("...Here is nothing to give away | but everything is for sale | lending is now very dangerous | this merchandise requires cash on the barrelhead | I cannot extend any more credit | because there is no credit in the world | extending credit often means | that the artist must flee his creditors | may my purchaser at least allow me | that I myself need not be ruined | let him deal in hard money | for credit is dead...").

Whereas Benjamin Betts proposed classifying our numbers 7 through 18 as spielmarks, clearly they are not. Rather, they are legitimate satire and/or

commentary on the times. Just as important, these pieces make the useful point that credit was dead long ere John Law arrived on the scene to kill it.
*Metrology.* Measures 26 millimeters. Rarity 7.
*Literature.* Wohlfahrt 55039.
Not illustrated

# Appendix I
# Concordance

| Adams | C. W. Betts | B. Betts | Alexi | Grueber[a] | Wohlfahrt |
|---|---|---|---|---|---|
| 1 | 125 | 1 | — | — | — |
| 2 | — | — | — | — | — |
| 3 | — | — | — | — | — |
| 4 | — | — | — | — | — |
| 5 | — | — | — | — | — |
| 6 | — | — | — | — | — |
| 7 | 114 | 2 | 1 | 1 | 20014 |
| 8 | — | — | — | — | — |
| 9 | 131 | 11 | 13 | — | — |
| 10 | 121 | 9 | 12 | — | 20005 |
| 11 | — | 10 | — | — | — |
| 12 | 140 | 8 | — | — | — |
| 13 | 137 | 12 | 14 | 7 | 20016 |
| 14 | 126 | 24 | — | 2 | 20011 |
| 15 | 127 | 23 | 16 | 3 | — |
| 16 | 130 | 3 | 9 | 4 | 20012 |
| 17 | — | — | — | 5 | 20013 |
| 18 | 118 | 22 | 7 | 6 | — |
| 19 | 128 | 21 | 8 | — | — |
| 20 | 124 | 6 | 3 | 9 | 20009 |
| 21 | 122 | 7 | 5 | 10 | 20008 |

| | | | | | |
|---|---|---|---|---|---|
| 22 | 123 | 4 | 4 | 11 | 20007 |
| 23 | 119 | 13 | 11 | 8 | 20010 |
| 24 | 133 | 16 | — | — | 20006 |
| 25 | 134 | 14 | — | — | — |
| 26 | — | — | — | — | — |
| 27 | 129 | 35 | — | — | — |
| 28 | 120 | 32 | 19 | — | — |
| 29 | 136 | 36 | — | — | — |
| 30 | 132 | 18 | — | 13 | 21006 |
| 31 | 117 | 17 | 2 | 12 | 21005 |
| 32 | 141 | 20 | 15 | — | — |
| 33 | 135 | 19 | 6 | — | 21004 |
| S-1 | — | — | — | — | — |
| S-2 | — | — | — | — | — |
| S-3 | — | 37 | — | — | — |
| S-4 | — | — | — | — | — |
| S-5 | — | — | — | — | — |
| S-6 | — | — | — | — | — |
| S-7 | — | — | — | — | 99035 |
| S-8 | — | 25 | — | — | — |
| S-9 | 115 | 26 | 10-(1) | 14 | 01021 |
| S-10 | 116 | 27 | 10-(2) | — | — |
| S-11 | — | 31 | — | — | 07055 |
| S-12 | — | — | — | — | 07054 |
| S-13 | — | — | — | — | 07056 |
| S-14 | — | — | — | — | 36006 |
| S-15 | — | 28 | — | — | — |
| S-16 | 139 | 29 | — | — | — |
| S-17 | 138 | 30 | 17 | — | — |
| S-18 | — | — | — | — | 55039 |

a. All numbers from Grueber refer to plate 144.

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S-5: From Sotheby's sale catalogue for 3 December 1980.

S-10: From S. Alexi, *John Law und sein System,* Berlin: F. und P. Lehmann, 1885.

S-12: Courtesy of the Schlossmuseum Gotha

# Plates

1

obv 1

rev A

2

obv 2

rev A

3

obv 3

rev A

4

obv 4

rev A

5

obv 5

rev A

6

obv 6

rev B

7

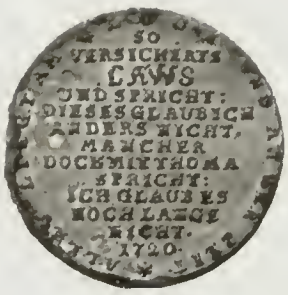
obv 7

rev C

8

obv
8

rev
D

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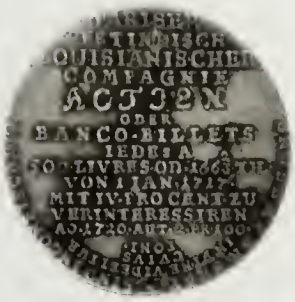


obv
10

rev
D

11

obv
11

rev
E

12

obv
11

rev
D

13

obv
12

rev
F

Plate 4

14

obv 13

rev G

15

obv 13

rev H

16

obv 14

rev G

17

obv 15

rev I

18

obv 16

rev J

19 obv 17 rev K

20 obv 18 rev L

21 obv 18 rev M

22 obv 18 rev N

23 obv 19 rev O

Plate 6

24 obv 20 rev P

25 obv 20 rev Q

26 obv 21 rev R

27 obv 22 rev S

28 obv 23 rev T

29

obv 24

rev U

30

obv 25

rev V

31

obv 25

rev W

32

obv 26

rev X

33

obv 27

rev Y

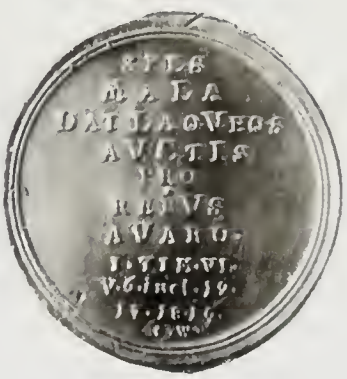

Plate 8

S-3

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S-5

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obv
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rev
b

S-9

obv II

rev b

S-10

obv II

rev c

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obv III

rev d

S-12

obv IV

rev d

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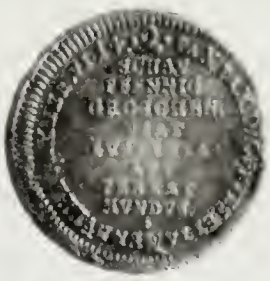
obv IV



rev f

S-15

rev b

rev f

JOHN W. ADAMS received a B.A. from Princeton University and an M.B.A. from Harvard Business School, where he was a Baker Scholar. He is considered a specialist in numismatic literature, a field in which he has published widely. As the author of *U.S. Numismatic Literature Volume I* (1982) and *U.S. Numismatic Literature Volume II* (1990), he established a platform for a segment of the hobby that has since become widely popular.

Today, Adams is perhaps best known for his interest in historical medals. He has written numerous articles on the subject as well as a book on *The Indian Peace Medals of King George III* (1999), with another book on early United States medals scheduled for publication in 2006.

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FRONT COVER: Satirical engraving referring to John Law and the Mississippi Company, from *Het Groote Tafereel der Dwaasheid* (1720). Engraving from the Rare Books Division, The New York Public Library, Astor Lenox and Tilden Foundations

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